

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE		PAGE OF PAGES 1   95	
2. AMENDMENT/MODIFICATION NO. <b>0003</b>		3. EFFECTIVE DATE 22 August 2003		4. REQUISITION/PURCHASE REQ. NO.		
5. PROJECT NO.(If applicable)						
6. ISSUED BY US ARMY ENGINEERING & SUPPORT CEHNC-CT 4820 UNIVERSITY SQUARE HUNTSVILLE AL 35816-1822		CODE <b>DACA87</b>		7. ADMINISTERED BY (If other than item 6) ACQUISITION SUPPORT TEAM/CT-S ATTN: VIRGINIA E. MITCHELL 256-895-1229 HUNTSVILLE AL 35816-1822		
8. NAME AND ADDRESS OF CONTRACTOR (No., Street, County, State and Zip Code)				X 9A. AMENDMENT OF SOLICITATION NO. DACA87-02-R-0005		
				X 9B. DATED (SEE ITEM 11) 23-Jan-2003		
				10A. MOD. OF CONTRACT/ORDER NO.		
				10B. DATED (SEE ITEM 13)		
CODE		FACILITY CODE				
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS						
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offer <input type="checkbox"/> is extended, <input checked="" type="checkbox"/> is not extended.						
Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing Items 8 and 15, and returning <u>1</u> copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.						
12. ACCOUNTING AND APPROPRIATION DATA (If required)						
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.						
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.						
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(B).						
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:						
D. OTHER (Specify type of modification and authority)						
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.						
See Continuation Pages						
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)						
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.						
15A. NAME AND TITLE OF SIGNER (Type or print)				16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)		
				TEL: EMAIL:		
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA  BY (Signature of Contracting Officer)		16C. DATE SIGNED

**STANDARD FORM (SF) 30 BLOCK 41 CONTINUATION PAGE**

1. Modifications are made to the following sections of the solicitation.

a. **SF 30, Amendment of Solicitation/Modification of Contract, Block 7, Administered By** is hereby changed to reflect the current Contract Specialist to which this solicitation is assigned.

b. **Section B, Supplies or Services and Prices/Costs**, was revised with many changes and is hereby replaced in its entirety. Changes included in Section B, include but may not be limited to the following:

(1) **Paragraph B.4, Proposals**, was revised for clarity.

(2) **Paragraph B.5, Price Proposals**, was revised to include provisions for two (2) additional price proposal methods, Firm Fixed-Price (FFP), and Fixed-Price with Economic Price Adjustment (FFP w/EPA).

(3) **Paragraphs B.5.1.1 through B.5.1.4** were renumbered for continuity to subheading.

(4) **Paragraph B.5.1.4**, added a requirement for monthly credit as payment for purchase price.

(5) **Schedule B-1**, used for proposing Fixed Price with Price Redetermination, renumbered references and changed the unit of issue of the Contract Line Item Numbers (CLINs) 0001AA through CLIN 0001AD. Added Utility Service Charges – Fixed Monthly Charge to CLIN 0001AB.

(6) **Paragraph B.5.2**, was changed and subparagraphs B.5.2.1 through B.5.2.5 were added to provide instructions for completing Schedule B-2.

(7) **Schedule B-2**, for proposing a tariff rate was replaced.

(8) **Paragraph B.5.3 and subparagraphs B.5.3.1 through B.5.3.4** were added to provide instructions for completing Schedule B-3, Fixed Price.

(9) **Schedule B-3**, for proposing a Firm Fixed-Price was added.

(10) **Paragraph B.5.4 and subparagraphs B.5.4.1 through B.5.4.5** were added to provide instructions for completing Schedule B-4.

(11) **Schedule B-4**, for proposing a Fixed Price with Economic Price Adjustment was added.

(12) **Paragraph B.7, Alternate Price Proposal, through Schedule B-2, Utility Service Payment by the Government**, was deleted in its entirety and replaced with paragraph B.5.2.

c. **Section C, Description/Specifications/Work Statement**, was revised with many changes and is hereby replaced in its entirety. Changes included in Section C, include but may not be limited to the following:

(1) **C.3.3 Metering**. Meter reading requirement was removed.

(2) **C.3.3.1 Future Meters** – FAR Clause 52.214-7 was added to the wording.

(3) **C.4.3.1 Government Use**. A time frame was added for when the contractor shall enter into formal joint-use agreement with the Government.

(4) **C.5.1.8, Change of Ownership**. Verbiage was changed for clarity

(5) **C.7.2.6 Emergency Operations**. An initial submittal requirement was added.

(6) **C.8 Repair Response Notification Procedures**. An initial submittal requirement was added.

(7) **C.9.4. Work Control**. The word “Historic” was added.

(8) **C.9.4.4 Protection of Buildings, Contents, Monuments, Landscape, and Other Improvements**. The description was expanded.

(9) **Paragraphs C.9.9 through C.9.11** were renumbered to correct duplicate numbers.

(10) **C.9.11 Emergency Notification Procedures**. Added the Power House and Fire Department to the requirement.

(11) **C.9.13 Switching and Back Feed during Emergencies**. A new requirement was added.

(12) **C.10 Environmental Compliance**. Requirements were added for coordination with Historic Preservation representatives, and initial and periodic requirement for submittal of inventory of hazardous materials.

(13) **C.10.3 Environmental Studies**. A requirement was added for compliance with the New York State Environmental Quality Review (SEQR).

(14) **C.10.5 Environmental, Historical, and Cultural Resources Protection Plan (EPP)**. Added reference to paragraph C.17 for historical and cultural resource requirements, and added requirement for submittal of the EPP plan.

(15) **C.10.6 Toxic/Hazardous Material and Waste Management.** The requirement to use DOD Hazardous Material Information System (HMIS) has been deleted.

(16) **C.11.2.4 Capital Upgrades.** Changed the paragraph reference.

(17) **C.11.2.5 Renewals and Replacements.** Changed the reference.

(18) **C.12.1 Quality Management Plan.** Added paragraph c. Service Continuity Assurance Plan.

(19) **C.13 Operational Transition Plan.** All paragraphs within this section have been renumbered due to deletion of what was previously paragraph C.13.1, Performance Start Date.

(20) **C.13.5 Initial Meter Readings.** Paragraph has been deleted in its entirety and paragraph numbering reserved for future use.

(21) **C.14.2 Specific USMA Requirements.** Inventory frequency was changed in paragraph c.

(22) **C.16, Subpart “2 – Annual Capital Upgrades and Renewals and Replacements Plan.** Previous wording “Years 2-5” was changed to read “Years 2-7”.

d. **Section G, Contract Administration Data,** has been revised, and is hereby replace in its entirety for ease of posting. Added references to B-3 and B-4 in paragraphs G.2 and G.3.1. Offerors should read this section in its entirety.

e. **Section H, Special Contract Requirements,** has been revised, and is hereby replaced in its entirety for ease of posting. Changes include, but may not be limited to, the following:

(1) **H.6 Contribution in Aid of Construction (CIAC) Tax Liability.** This paragraph was replaced.

(2) **H.7 Interest.** This paragraph was replaced.

(3) **H.8.1 Initial Capital Upgrades.** Added proposal reference and changed the term “Fixed Monthly Charge” to “Utility Service Payment.”

(4) **H.8.2 Future Capital Upgrades.** Changed the term “Fixed Monthly Charge” to “Utility Service Payment” and changed references.

(5) **H.8.3 Recoverable Portion of the Purchase Price.** Verbiage was added for clarity to assist offerors in determining the value of tangible assets.

(6) **H.8.5 Replacement and Renewal Capital.** Changed the reference to FAR 56.216-5, Price Redetermination - Prospective.

f. **Section I, Contract Clauses**, has been revised, and is hereby replaced in its entirety for ease of posting. Changes in Section I are as follows:

(1) Revised fill-in portions of Federal Acquisition Regulation (FAR) Clause 52.216-5 under paragraph (d) and paragraph (j) to reflect 120 days vice 90 days.

(2) Changed the forwarding address to “TBD” (To Be Determined) in FAR Clause 52.241-13, Capital Credits (Feb 1995), paragraph (c).

(3) Added FAR Clause 52.249-1, Termination for Convenience of the Government (Sep 1996).

g. **Section J, List of Attachments**, has been revised, and is hereby replaced in its entirety. Changes in Section J are as follows:

(1) **Attachment 2, System Description.** Revised paragraph J.1.1.3d to read Smith Clove Rd vice . – Angola Rd.

(2) **Attachment 3, Points of Demarcation.** Previously listed but not posted, is hereby included with the solicitation. Location – Web.

(3) **Attachment 4, Rate Based Pricing Method and Estimated Cost Based Pricing Method.** Previously listed but not posted, is hereby included with the solicitation. Location – Web.

(4) **Attachment 8, Inventory of Systems.** Added Inventory Backup File to provide additional information. CD will be provided upon written request.

(5) **Attachment 9, Cost Reimbursable Meters.** Added Meters, Location – Web.

(6) **Attachment 11, Client Authorization Letter Form.** Revised. Location – Web.

(7) **Attachment 18, Service Contract Wage Rates.** Deleted Wage Determination No. 94-2375, Rev 21 in its entirety. Wage Determination No. 94-2379 remains.

(8) **Attachment 19, Electrical Structures To Be Conveyed (Historical Status/ Construction Date).** Added. Location – Web.

(9) **Attachment 20, Safety Program – United States Military Academy.** Added. Location – Web.

(10) **Attachment 21, Past Performance Questionnaire Form.** Added. Location – Web.

h. **Section L, Instructions, Conditions, and Notices to Offerors**, has been revised with many changes and is hereby replaced in its entirety. Changes included in Section L, include but may not be limited to the following:

(1) **L.2.1.3, Site Visits.** Added dates.

(2) **L.2.1.4, Technical Library.** Added dates.

(3) **L.3.1, Proposal Organization/Page Limits.** Section was further clarified to accurately specify how pages are to be submitted and their number.

(4) **L.3.2, Proposal Format.** The sentence that indicates each volume is to be written on a “stand-alone” basis was bolded to highlight the importance of this area.

(5) **L.3.4, Electronic Media.** First paragraph of this section was deleted in its entirety. Second paragraph became the first paragraph, and was changed to specify that ALL volumes are to be submitted on CD ROM disks and to specify the acceptability of Microsoft Office 2000.

(6) **L.3.10, Proposal Revisions.** This change explains how a proposal revision should be submitted.

(7) **L.4.2, Subfactor 2, Operations and Maintenance Plan, Service Interruption/Contingency Plan and Quality Management Plan.** This change added when the plan will be incorporated into the contract.

(8) **L.4.2.3, Quality Management Plan (QMP).** This change added examples of record keeping.

(9) **L.4.6, Subfactor 6: Financial Strength.** A subfactor for submittal of financial capabilities was added.

(10) **L.5.1 References.** In the second sentence from the end of the paragraph, the word “obtain” is deleted and changed to “verify”. Note that verbiage in L.5 requires past performance information be submitted along with the offerors’ proposal.

(11) **L.7.2, General.** This changed added schedule numbers B-3 and B-4 to the verbiage. Change also added inclusive price support information.

(12) **L.7.4, Organization.** This change added schedule numbers B-3 and B-4 into Section 1.

(13) **L.7.5, Detailed Instructions for Price Proposal.** Due to addition of Schedules B-3 and B-4 to the solicitation, this section includes several references to Schedules B-2, B-3, and B-4 as appropriate throughout this section. Additional changes occur in under paragraphs entitled Section 1, Section 2, Operations and Maintenance, and Capital Costs. **Offerors should read the entire section to view changes.**

(14) **L.7.5, Detailed Instructions for Price Proposal.** Added a new paragraph entitled, “Economic Price Adjustment Index Methodology”.

i. **Section M, Evaluation Factors for Award,** is hereby replaced in its entirety for ease of posting. Changes included in Section M, include but may not be limited to the following:

(1) **M.3, Evaluation Factors and Subfactors.** Under Factor 1: Technical Approach, two new subfactors were added entitled, “Subfactor 5: Environmental, Historical, Cultural Plan” and “Subfactor 6: Financial Strength”.

(2) **M.3.1, Order of Importance for Evaluating Factors and Subfactors.** Reference paragraphs one and two. All previous references to the factor “Technical Capability” are hereby changed to “Technical Approach”.

(3) **M.4.1, Schedule B-1 and M.4.2, Schedule B-2.** This section contains several revisions to conform to the changes made in Schedule B. **Offerors should read the entire section to view the changes.**

2. To facilitate the posting of these changes the following pages are hereby deleted and the revised pages substitutes are therefore:

<u>SECTION</u>	<u>DELETE</u>	<u>SUBSTITUTE/ADD</u>
<b>B</b>	Pages B-1 through B-4	Pages B-1 through B-9
<b>C</b>	Pages C-1 through C-27	Pages C-1 through C-28
<b>G</b>	Page G-1 through G-2	Page G-1 through G-2
<b>H</b>	Pages H-3 through H-5	Pages H-3 through H-5
<b>I</b>	Pages I-1 through I-14	Pages I-1 through I-14
<b>J</b>	Page J-1	Pages J-1
<b>L</b>	Pages L-1 through L-22	Pages L-1 through L-24
<b>M</b>	Pages M-1 through M-4	Pages M-1 through M-4

<b><u>ATTACHMENT</u></b>	<b><u>DELETE</u></b>	<b><u>SUBSTITUTE/ADD</u></b>
<b>2</b>	System Description	System Description Page 2
<b>3</b>	(Previously Not Posted)	Points of Demarcation (Pages 1-10)
<b>4</b>	(Previously Not Posted)	Rate Based Pricing Method and Estimated Cost Based Pricing Method (Multiple Tabs)
<b>8</b>	CD (Avail Upon Request)	CD (Avail Upon Request)
<b>9</b>	(Previously Not Posted)	Meters (1 Page)
<b>11</b>	Client Authorization Letter	Client Authorization Letter Form Revised(1 Page)
<b>18</b>	Wage Determination No. .1994-2375 (Pages 1-5)	Wage Determination No 94-2379 <u>Remains</u> (Pages 1-6)
<b>19</b>		Electrical Structures To Be Conveyed (1 Page)
<b>20</b>		Safety Program - United States Military Academy (90 Pages)
<b>21</b>		Past Performance Questionnaire Form (3 Pages)

3. Offerors must acknowledge receipt of this amendment with their proposals at the required closing date and time. The date and time specified for receipt of proposals remains unchanged for Thursday, 09 October 2003, 2:00 p.m. local time.

4. All other terms and conditions remain unchanged.



SECTION B

## Supplies or Services and Prices/Costs

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### B.1 Clauses and Provisions

Clauses and provisions from the Federal Acquisition Regulation (FAR) and its supplements are incorporated in this document by reference and in full text. Those incorporated by reference have the same force and effect as if they were given in full text.

### B.2 General

The Government seeks offerors to assume ownership, operation and maintenance of the electric utility infrastructure on the United States Military Academy, West Point (USMA). The Contractor shall furnish all necessary labor, management, supervision, permits, equipment, supplies, materials, transportation, and any other incidental services for the complete ownership, operation, maintenance, repair, upgrades, and improvements to these utility systems. These services shall be provided in accordance with all terms, conditions, and special contract requirements, specifications, attachments, and drawings contained in this solicitation or incorporated by reference.

### B.3 Systems to Be Privatized

The contract line item number (CLIN), shown in schedule A, represents the utility system included in this solicitation for privatization:

SCHEDULE A

Utility System Contract Line Item Numbers

CLIN	Installation	Utility System
0001	United States Military Academy, West Point (USMA)	Electric Utility Infrastructure

### B.4 Proposals

Each Offeror shall submit Technical and Price proposals in accordance with Section L. The cost proposal shall incorporate all costs of service in accordance with Sections B, H, and L of this Solicitation. The Offeror shall complete a schedule B-1, B-2, B-3, or B-4 as applicable for each utility system included in the proposal. The submitted Schedule B represents the Offeror's price for services. If an Offeror submits a proposal based on regulated service rates that are set by law or regulation, then schedule B-2 shall be submitted. Under the Federal Acquisition Regulations, the terms tariff(s), schedule(s), and rate(s) apply to services for which prices are set or approved by an independent regulatory body (such as a State Public Service Commission or Public Utility Commission). See DFARS 241.201(3) and FAR 41.101 for definition of terms.

## B.5 Price Proposals

Offerors must complete Price Schedules and accompanying Price Schedule Data Sheets (Section L. ) that are consistent within the pricing methodology they propose:

Proposal	Section	Price Schedule	Price Schedule Data Sheets
Fixed-Price with Prospective Price Redetermination	B.5.1	B1	Schedules Attachment J.4
Regulated Tariff Rate (Includes Special Contracts)	B.5.2	B2	Schedules Attachment J.4
Firm Fixed Price	B.5.3	B3	Schedules Attachment J.4
Fixed-Price with Economic Price Adjustment	B.5.4	B4	Schedules Attachment J.4

### B.5.1 Instructions for Completing Schedule B-1, Fixed Price - Price Redetermination—Prospective

The Offeror shall complete a schedule B-1 if proposing a fixed price with Price Redetermination. See FAR 52.216-5 Fixed Price - Price Redetermination—Prospective. The total monthly **Utility Service Payment by the Government** will be the sum of the amount due for Utility Services, the recoverable portion of Capital Investment Costs as defined in Section H, less the monthly credit for the Acquisition Price of the existing Utility System.

#### B.5.1.1 Acquisition Price (CLIN 0001AA)

The offeror shall offer a price for conveyance of all right, title, and interest of the United States Government in the utility system.

#### B.5.1.2 Utility Service Charges – Fixed Monthly Charge (CLIN 0001AB)

The offeror shall propose a fixed monthly charge for 36 months. The fixed monthly charge shall include costs to provide utility services to the installation for operation and maintenance. Prices proposed for the Fixed Monthly Charge shall be based on expected price levels during the first three years of utility service. This price will be redetermined in accordance with Section I, FAR clause 52.216-5, Price Redetermination-Prospective.

#### B.5.1.3 Capital Investment Recovery (CLINs 0001AC)

The offeror shall propose capital investment recovery in accordance with Sections H and L. Capital cost may include, but not be limited to, the initial capital upgrades, the recoverable portion of the Acquisition Price, mobilization capital costs, capital recovery for routine replacements and renewal costs, and capital costs of other upgrade, improvement, or system expansion/addition projects proposed throughout the contract. The monthly costs of service charges (as described in H.8) for each capital cost shall be summed to define a proposed monthly cost of service charge for this CLIN.

**B.5.1.4 Monthly Credit as Payment for Purchase Price (CLINs 0001AD)**

The Offeror shall propose a credit, and number of months the Government will receive the credit, against the monthly Service Charges as payment for the price of conveyance proposed by the Offeror in Sub-CLIN AA. The product of the monthly credit multiplied by the number of months the Government will receive the credit, shall be equal to the price of conveyance.

**SCHEDULE B-1**  
**Utility Service Payment by the Government**

ITEM NO.	DESCRIPTION	UNIT OF ISSUE	UNIT PRICE	TOTAL AMOUNT
CLIN 0001	Electrical System, USMA			
CLIN 0001AA	Acquisition Price, USMA Electrical Distribution System. Indicate whether the credit will be in the form of a Lump Sum Credit or Monthly Credit (CLIN 0001AD must be completed for monthly credits.) (See Section B, Paragraph B.5.1.1)	1 ea	\$_____	\$_____
CLIN 0001AB	Utility Service Charges – Fixed Monthly Charge, Electrical Distribution System, in accordance with Section B, Paragraph B.5.1.2.	Month	\$_____	\$_____
CLIN 0001AC	Electrical Distribution System Capital Investment Recovery in accordance with Section B, Paragraph B.5.1.3.	Month	\$_____	\$_____
CLIN 0001AD	Monthly Credit for Acquisition Price. (See Section B, Paragraph(s) B.5.1.1 & B.5.1.4).  Enter number of months of credit _____	Month)	\$ (_____) )	\$ (_____) )

## **B.5.2 Instructions for Completing Schedule B-2**

### **B.5.2.1 Price Proposal for Tariff Rates**

The Offeror shall complete a schedule B-2 if proposing established or special tariff, schedule and rate. The total monthly Utility Service Payment by the Government will be the sum of the amount due under the Applicable Tariff, the recoverable portion of Capital Investment Costs as defined in Section H, less the monthly credit for the Acquisition Price of the existing Utility System. Under the Federal Acquisition Regulations, the terms tariff(s), schedule(s), and rate(s) apply to services for which prices are set or approved by an independent regulatory body (such as a State Public Service Commission or Public Utility Commission). See DFARS 241.201(3) and FAR 41.101 for definition of terms.

### **B.5.2.2 Sub-CLIN AA – Acquisition Price**

The Offeror shall propose an Acquisition Price for conveyance of all right, title, and interest of the United States Government for the purchase of the existing utility system.

### **B.5.2.3 Sub-CLIN AB: Applicable Tariff**

The Offeror shall propose a tariff rate or rates no less favorable than that offered to similarly situated utility customers. The Offeror shall specify each proposed tariff and the buildings to which it applies (see L.7, *Proposal Preparation Instructions - Volume IV: Price Proposal*).

### **B.5.2.4 Sub-CLIN AC: Initial Capital Upgrades / Connection Charges**

This CLIN is required only if the tariff provides for separate identification of connection charges. If separate identification is not provided, the offeror will state affirmatively that the tariff rate includes these costs.

### **B.5.2.5 Sub-CLIN AD – Monthly Credit as Payment for Purchase Price**

The Offeror shall propose a credit, and number of months the Government will receive the credit, against the monthly Service Charges as payment for the price of conveyance proposed by the Offeror in Sub-CLIN AA. The product of the monthly credit multiplied by the number of months the Government will receive the credit, shall be equal to the price of conveyance.

SCHEDULE B-2  
Payment by the Government for Utility Service

ITEM NO.	DESCRIPTION	UNIT OF ISSUE	UNIT PRICE	TOTAL AMOUNT
<b>CLIN 0001</b>	<b>USMA Electrical Distribution System</b>			
SUB-CLIN 0001AA	Acquisition Price in accordance with Section B, Paragraph B.5.2.2.	1 ea	N/A	\$_____
SUB-CLIN 0001AB	Applicable Tariff in accordance with Section B, Paragraph B.5.2.3.	Month	\$_____	\$_____
SUB-CLIN 0001AC	Initial Capital Upgrades / Connection Charges in accordance with Section B, Paragraph B.5.2.3. See Schedule 3	Month	\$_____	\$_____
SUB-CLIN 0001AD	Monthly Credit for Purchase of Existing Utility System in accordance with Section B, Paragraph B.5.2.4. Enter number of months of credit	Month	\$ (_____)	\$_____

### **B.5.3 Instructions for Completing Schedule B-3, Fixed Price**

The Offeror shall complete a schedule B-3 if proposing a fixed price proposal. See FAR 16.2 Fixed Price Contracts. The total monthly **Utility Service Payment by the Government** will be the sum of the amount due for Utility Services, the recoverable portion of Capital Investment Costs as defined in Section H, less the monthly credit for the Acquisition Price of the existing Utility System.

#### **B.5.3.1 Acquisition Price (CLIN 0001AA)**

The offeror shall offer a price for conveyance of all right, title, and interest of the United States Government in the utility system.

#### **B.5.3.2 Fixed Monthly Charge (CLIN 0001AB)**

The offeror shall propose a fixed monthly charge. The fixed monthly charge shall include costs to provide utility services to the installation for operation and maintenance.

#### **B.5.3.3 Capital Investment Recovery (CLIN 0001AC)**

The offeror shall propose capital investment recovery in accordance with Sections H and L. Capital cost may include, but not be limited to, the initial capital upgrades, the recoverable portion of the Acquisition Price, mobilization capital costs, capital recovery for routine replacements and renewal costs, and capital costs of other upgrade, improvement, or system expansion/addition projects proposed throughout the contract. The monthly costs of service charges (as described in H.8) for each capital cost shall be summed to define a proposed monthly cost of service charge for this CLIN.

#### **B.5.3.4 Monthly Credit as Payment for Purchase Price (CLIN 0001AD)**

The Offeror shall propose a credit, and number of months the Government will receive the credit, against the monthly Service Charges as payment for the price of conveyance proposed by the Offeror in Sub-CLIN AA. The product of the monthly credit multiplied by the number of months the Government will receive the credit, shall be equal to the price of conveyance.

SCHEDULE B-3  
**Payment by the Government for Utility Service**

ITEM NO.	DESCRIPTION	UNIT OF ISSUE	UNIT PRICE	TOTAL AMOUNT
CLIN 0001	Electrical System, USMA			
CLIN 0001AA	Acquisition Price, USMA Electrical Distribution System. Indicate whether the credit will be in the form of a Lump Sum Credit or Monthly Credit (CLIN 0001AD must be completed for monthly credits.) (See Section B, Paragraph B.5.3.1)	1 ea	\$_____	\$_____
CLIN 0001AB	Utility Service Charges, Electrical Distribution System, in accordance with Section B, Paragraph B.5.3.2.	Month	\$_____	\$_____
CLIN 0001AC	Electrical Distribution System Capital Investment Recovery in accordance with Section B, Paragraph B.5.3.3.	Month	\$_____	\$_____
CLIN 0001AD	Monthly Credit for Acquisition Price. (See Section B, Paragraph(s) B.5.3.1 & B.5.3.4). Enter number of months of credit _____	Month)	\$ (_____) )	\$ (_____) )

#### **B.5.4 Instructions for Completing Schedule B-4, Fixed Price With Economic Price Adjustment**

The Offeror shall complete a schedule B-4 if proposing a fixed price with Economic Price Adjustment. See FAR 16.203 Fixed Price Contracts With Economic Price Adjustment. The total monthly **Utility Service Payment by the Government** will be the sum of the amount due for Utility Services, the recoverable portion of Capital Investment Costs as defined in Section H, less the monthly credit for the Acquisition Price of the existing Utility System.

##### **B.5.4.1 Acquisition Price (CLIN 0001AA)**

The offeror shall offer a price for conveyance of all right, title, and interest of the United States Government in the utility system.

##### **B.5.4.2 Fixed Monthly Charge (CLIN 0001AB)**

The offeror shall propose a fixed monthly charge. The fixed monthly charge shall include costs to provide utility services to the installation for operation and maintenance. Prices proposed for the Fixed Monthly Charge shall be based on expected price levels during the first three years of utility service. This price will be redetermined based on changes in the index or indices established in the contract. In the Price Proposals, offerors shall specify the index or indices they propose as a price adjustment mechanism. Offerors shall explain why the indexes proposed were selected, comprehensively describe the working of the price adjustment mechanism including the timing of adjustments and the composition of the base, and provide a sample calculation.

##### **B.5.4.3 Capital Investment Recovery (CLIN 0001AC)**

The offeror shall propose capital investment recovery in accordance with Sections H and L. Capital cost may include, but not be limited to, the initial capital upgrades, the recoverable portion of the Acquisition Price, mobilization capital costs, capital recovery for routine replacements and renewal costs, and capital costs of other upgrade, improvement, or system expansion/addition projects proposed throughout the contract. The monthly costs of service charges (as described in H.8) for each capital cost shall be summed to define a proposed monthly cost of service charge for this CLIN.

##### **B.5.3.4 Monthly Credit as Payment for Purchase Price (CLIN 0001AD)**

The Offeror shall propose a credit, and number of months the Government will receive the credit, against the monthly Service Charges as payment for the price of conveyance proposed by the Offeror in Sub-CLIN AA. The product of the monthly credit multiplied by the number of months the Government will receive the credit, shall be equal to the price of conveyance.



SCHEDULE B-4  
**Payment by the Government for Utility Service**

ITEM NO.	DESCRIPTION	UNIT OF ISSUE	UNIT PRICE	TOTAL AMOUNT
CLIN 0001	Electrical System, USMA			
CLIN 0001AA	Acquisition Price, USMA Electrical Distribution System. Indicate whether the credit will be in the form of a Lump Sum Credit or Monthly Credit (CLIN 0001AD must be completed for monthly credits.) (See Section B, Paragraph B.5.4.1)	1 ea	\$_____	\$_____
CLIN 0001AB	Utility Service Charges, Electrical Distribution System, in accordance with Section B, Paragraph B.5.4.2.	Month	\$_____	\$_____
CLIN 0001AC	Electrical Distribution System Capital Investment Recovery in accordance with Section B, Paragraph B.5.4.3.	Month	\$_____	\$_____
CLIN 0001AD	Monthly Credit for Acquisition Price. (See Section B, Paragraph(s) B.5.4.1 & B.5.4.4). Enter number of months of credit _____	Month)	\$ (_____) )	\$ (_____) )

**B.6 CONTRACTING AUTHORITY.**

This contract will be awarded pursuant to the authority granted to the Secretary of the Army by Title 10 USC 2688, for Privatization of Defense Utility Systems.

SECTION C

## Description/Specifications/Work Statement

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### C.1 Precedence

FAR clause 52.215-8, *Order of Precedence - Uniform Contract Format*. Any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order: (a) The Schedule (excluding the specifications). (b) Representations and other instructions. (c) Contract clauses. (d) Other documents, exhibits, and attachments. (e) The specifications.

### C.2 Scope and Purpose

#### C.2.1 General

The Government is conveying the utility systems identified in this request for proposals. Concurrent with the conveyance of the utility systems the Government will acquire electric utility service to replace the service currently provided by the Government. The Government is requesting proposals for the purchase of the Electric utility system located on USMA and the provision of the identified utility services. The conveyance of the utility system and the acquisition of utility services are both subject to the terms and conditions of this request for proposals. The Contractor shall furnish all necessary labor, management, supervision, permits, equipment, supplies, materials, transportation, and any other incidental services required for the complete ownership, operation, maintenance, repair, upgrade, and improvement of these utility systems. The Contractor will provide these services in accordance with all terms, conditions, and special contract requirements, specifications, attachments, and drawings contained in this solicitation or incorporated by reference. This contract does not include the purchase of commodities.

#### C.2.2 Statutory Directive

The conveyance of the utility system is authorized by and conducted under 10 USC § 2688. The conveyance of the utility system is not an acquisition and therefore is not subject to the FAR and its supplements. The acquisition of utility services is an acquisition and will be governed by the FAR and its supplements.

#### C.2.3 Program Goal

The goal of this conveyance is to transfer all right, title, and interest of the United States in and to the electric utility system on USMA. The conveyance will be documented by the Easement, see example (Attachment J.10). The utility system being sold includes all equipment, fixtures, structures, and other improvements utilized in connection with the utility system, which will be more specifically described in the Easement. The divestiture will not include the real property upon, under, or around the utility system. The utility system being sold is as identified in the Easement, final inventory, and Points of Demarcation (Attachment J.3) and does not include any other property.

## C.2.4 Notices and Reservations

**C.2.4.1** The Government will only acquire utility services if it conveys the related utility system. The Government can only convey the utility system if it determines that (1) the long-term economic benefit of the conveyance to the United States exceeds the long-term economic cost of the conveyance to the United States, and (2) the conveyance will reduce the long-term costs of the United States for utility services provided by the utility system concerned. Award, if at all, will only be made by the duly authorized execution of the Easement and the utility service contract.

## C.2.5 Utility Service Providers

The Contractor shall assume ownership of Government utility system identified herein and provide related utility service. This includes, but is not limited to, the obligation to ensure adequate and dependable utility service to all facilities and equipment served.

Services provided shall comply with all applicable federal, state, and local laws and regulations, as they may be amended from time to time, including those requirements relating to health, safety and the environment. The Contractor shall modify its service practice as necessary to accomplish such compliance.

If a change in the service requirement necessitated by such compliance constitutes reasonable cause for an adjustment to the service charge, the charge will be adjusted in accordance with FAR 52.243-1 Alt 1, *Changes - Fixed Price* or FAR 52.241-7 *Changes in Rates or Terms and Conditions of Service for Regulated Services as applicable*.

## C.2.6 Utility Systems

Attachments are included in Section J and are herein referred to as utility-specific attachments. Each attachment provides details specific to the utility system and requirement.

## C.3 Requirement

### C.3.1 Utility Service Requirement

The Contractor shall provide reliable and dependable utility service to each Government or tenant connection within the service area (see C.4, *Service Area*) 24 hours each and every day. The Contractor shall be responsible for providing capital investments and all other resources required to own, maintain, and operate its utility system in a safe and reliable condition and to meet all the requirements listed herein.

This contract does not include the purchase of commodities.

The Contractor shall obtain and maintain current any and all licenses, permits, or certifications necessary to own, maintain, and operate the utility system. Access to the utility system will be as specified in paragraph C.6, *Access to the Utility System*.

### C.3.2 Performance Standards

Unless otherwise provided for in this contract, the Contractor shall perform its required service in accordance with industry-standard construction, operations, maintenance, management,

environmental, safety and other relevant standards, that apply to similarly situated utility service customers whose service characteristics are comparable to the service characteristics of USMA.

The Contractor shall comply with all applicable Federal, state and local laws/regulations and installation specific requirements in performing its duties under the contract. The Contractor shall identify and incorporate standards and specifications not established by this statement of work in the Operations and Maintenance Plan, Section C.12, *Operations and Maintenance*. The Contractor shall modify its service practices as applicable when applicable Federal, state, or local laws/regulations are changed or new ones are enacted.

### C.3.3 Metering

The Contractor shall be responsible for maintaining, and calibrating all existing meters on the utility system (Attachment J.9). The Government will be responsible for meter reading. Those additional meters shall be installed within the transition period defined in paragraph C.13, *Operational Transition Plan*.

All costs for providing, installing, reporting, and maintaining the meters shall be the responsibility of the Contractor. Calibration of meters shall be in accordance with the manufacturer's recommendations and any applicable regulations that govern meter calibration.

#### C.3.3.1 Future Meters

The Contractor shall provide, install, maintain, and calibrate meters requested by the Government for any purpose throughout the contract period. Installation of and responsibility for future meters (not on the system at the time of conveyance or identified for installation as part of the service contract) may constitute reasonable cause for a service charge adjustment. Any service charge adjustment as a result of these actions will be in accordance with FAR 52.243-1 Alt I, *Changes - Fixed Price* or FAR 52.214-7 *Changes in Rates or Terms and Conditions of Service for Regulated Services* as applicable.

### C.3.4 Energy Efficiency and Conservation

The Contractor shall strive to provide energy efficient systems. The Government has an established program for conducting and implementing energy-saving and conservation projects to reduce utility usage and costs. Some of these have resulted in the Government entering into long-term financing arrangements with non-government entities. The Contractor agrees to use its best efforts to ensure that the Contractor's actions will not negatively impact these projects. Additionally, the Government reserves the right to enter into any future energy-savings projects with the goal of reducing Government costs. The Contractor will facilitate the implementation of any such future energy-savings projects.

The Contractor is encouraged to propose projects to the Government that will increase the overall efficiency of the utility system. Efficiency projects shall be proposed to the Government in accordance with paragraph C.11, *Upgrades and Renewals and Replacements*. The Government may consider cost-savings sharing and incentives either through service charge adjustments or lump-sum payments. Service charge adjustments resulting from future efficiency projects will be handled in accordance with paragraph G.3, *Service Charge Adjustment*.

### **C.3.5 Energy Commodity Supply**

Electric commodity supply is not included in this contract. The Government retains the right to procure or supply electricity that will be transported on the system covered by this contract from any lawful source. The successful Contractor may or may not be the supplier of the commodity procured by the Government. The Government or Government Commodity Contractor will retain ownership of all commodities transported and distributed through the Contractor-owned systems.

## **C.4 SERVICE AREAS**

The service areas are defined as all areas within the Government installation boundaries and any other facilities and property boundaries under the control of the Installation as defined in the utility-maps (Attachment J.6). Within the service area and upon the Government's request, the Contractor shall provide utility service to all existing and new customers and service connections. At any time, the Contracting Officer may designate any location within the service area where utility service under this contract shall commence or be discontinued, subject to the requirements of the Easement. Any service charge adjustment as a result of these actions will be in accordance with FAR 52.243-1 Alt I, *Changes - Fixed Price* or FAR 52.241-7 *Changes in Rates or Terms and Conditions of Service for Regulated Services* whichever may be applicable.

### **C.4.1 Temporary Connections**

The Contractor shall extend temporary service to the Government or other contractors performing construction projects or other work on USMA when requested by the Contracting Officer.

The Contracting Officer will identify the party responsible for reimbursing the Contractor for temporary connections or utility usage. The Contracting Officer shall be provided the following information regarding any temporary service connections:

- Name of the Contractor/customer
- Expected duration of the connection
- Description of the connection, including route and type of material

### **C.4.2 Use of Distribution Systems to Serve Areas Outside USMA Service Area**

The Contractor may use the utility infrastructure on USMA to serve or benefit areas or customers outside the service area only with concurrence of the Government. In no way shall service to off-installation customers degrade or hinder reliable service, or create unhealthy, unsafe or unacceptable outages to the Government's facilities. In the event that customers other than the Government are served, the Contractor shall prorate and allocate services charges, operation, maintenance, repair, replacement, and capital improvement expenses accordingly.

### **C.4.3 Joint Use**

#### **C.4.3.1 Government Use:**

The contractor shall enter into a formal joint-use agreement with the Government during the transition period. This agreement shall define the terms, conditions, and standards for Government joint-use attachments to the electrical system. The Government may have property and equipment installed on or attached to poles, conduits, and ductbanks of the utility systems to be transferred. Communications ducts are concurrent with power ducts in ductbanks. The Government reserves the right to continue to use the property to be transferred for this purpose, to

enter on the transferred property to maintain, repair, operate, upgrade and replace its property and equipment, and to install new property and equipment, all at no cost to itself.

#### **C.4.3.2 Commercial Use:**

The contractor shall enter into joint use agreements with the installation's telephone company, cable television company, and other service providers in accordance with applicable law and regulation. The contractor shall permit joint use by other commercial service providers at no cost until the Government's current agreements with such providers expire.

## **C.5 Utility System Ownership, Employees, and Security**

### **C.5.1 Utility System Ownership**

#### **C.5.1.1 Transfer of Title**

A general description of the utility system assets to be transferred is included in Section J (Attachment J.2). Prior to the transfer of title, such facilities shall continue to be owned by the Government. Transfer of title shall be accomplished by Easement. The Easement shall provide the complete list of all assets to be sold.

An example of the Easement is provided in Attachment J.10. The parties shall prepare and execute such additional documents as may be necessary to implement the ownership transfer.

#### **C.5.1.2 Tools, Vehicles, and Equipment**

Unless listed in the final Easement, government-owned tools, vehicles, and equipment used for system operations and maintenance that are not permanently and physically attached to the utility system will remain the property of the Government.

#### **C.5.1.3 Placement of Utility System**

The Contractor shall comply with requests from USMA regarding the placement of new or renewal utility systems either overhead or underground. Requests for placement, which differ from normal utility practice, may be compensable under FAR 52.243-1 Alt I, *Changes - Fixed Price*.

#### **C.5.1.4 Contractor Facilities**

The Contractor may be permitted to locate offices, maintenance shops, and materials storage/staging areas on post. Temporary facilities may be available on post for construction projects. Construction, use, duration of use, removal, and clean up associated with these temporary facilities will be negotiated with the Government on an project-specific basis. The Contractor, at its expense, shall acquire, furnish, install, and operate and maintain all necessary facilities if required to provide the utility service hereunder. The Contractor will be responsible for acquiring all utilities, janitorial services, building maintenance, and ground maintenance for these facilities.

##### **a. Field Office, Shop or Storage for Projects.**

(1). If a trailer is required to support any project under this contract, the Contractor shall set up his trailer for use as an office, shop or storage area for supplies at the staging area located within 5 miles of a project site. The Contracting Office will designate the staging area.

(2). The Contractor shall construct a temporary 6-foot high chain link fence around trailers and materials. The fence shall include nylon fabric privacy screening on the inside, colored green,

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or black so that visibility through the fence is obstructed. Fence post may be driven, in lieu of concrete bases, where soil conditions permit. Trailers, materials or equipment shall not be placed or stored outside the fenced area unless such trailers, materials or equipment are assigned a separate and distant storage area by the Contracting Officer away from the vicinity of the Staging Area but within the military boundaries. Trailer, equipment, or materials shall not be open to public view with the exception of those items that are in support of ongoing work on any given day. Materials shall not be stockpiled outside the fence in preparation for the next day's work. At the end of each work day mobile equipment, such as tractors, wheeled lifting equipment, cranes, trucks, backhoes, and like equipment, shall be parked within the fenced area.

**b. Toilet Facilities**

Portable toilets shall be located as directed by the COR. Upon completion of the project, all temporary toilet facilities shall be removed and any damage to the areas rectified.

**C.5.1.5 Documentation and Record Drawings**

a. The Contractor shall implement and maintain a system for identification, preparation, reproduction, distribution, and maintenance of all documentation and information necessary for the Contractor's management, operation, and maintenance of the facility as well as Government management of the contract. This documentation shall be available at no cost to the Government upon request. Examples of necessary documentation include but are not limited to maps, inventory, operations and maintenance plans, service calls records, work order records, expense records, as-built drawings, quality control inspection documentation, outage reports and surveys, etc. Documents shall be submitted to the Contracting Officer (accompanied by Form ENG 4025) on or before the dates specified in the contract and/or task orders. Submittals requiring comment and/or approval by the Government shall be reviewed and comments returned within 30 calendar days of submittal. The Contractor shall respond to the comments within 30 calendar days of receipt by modifying the submittal or by annotating the comments with reason for non-concurrence. The Government will have 15 calendar days to either approve the re-submittal or provide additional guidance to the contractor.

b. The Contractor shall maintain record drawings for all existing and new facilities installed by the Contractor within the service area. Maps shall be updated as necessary to accurately depict the system to its current extent and configuration to include all above and below ground component locations, size, material, age, and voltage. The maps shall show the location of all system components that are required to be included in the inventory. Upon request, the Government may use and copy such drawings. The Contractor shall provide available drawings to the Government in the form of CAD-CAM disks using the latest release software compatible with Government systems at no cost to the Government. The Contractor will also provide information to allow for updates to USMA Geographical Information System (GIS), as appropriate. The Contractor shall identify changes to and update the facilities maps to ensure delineation of all easements. The Contractor shall provide USMA updates within six (6) months following system transfer and annually thereafter in both hard copy (full size) and electronic media formats.

**C.5.1.6 Disposition of Removed or Salvaged Materials**

The removal and disposition of facilities and materials that are not used and useful for the purpose of providing utility service shall be the responsibility of the Contractor. If the cost structure is dependent upon in-place value, the salvage value of equipment removed from service prior to the end of its useful life shall be deducted from the in-place value of the system. The Contractor shall notify the Contracting Officer when removing hazardous substances in accordance with paragraph H.7, *Hazardous Substances*.

#### C.5.1.7 Abandonment.

Existing aboveground system equipment shall be removed when replaced or no longer utilized. The Contractor shall not abandon aboveground equipment in place unless approved by the Contracting Officer. The Contractor will not be responsible for any portion of the existing system abandoned in place prior to system conveyance. Abandoned plant (e.g., duct, direct-buried conductors, etc.) shall be documented in the initial system inventory and noted as remaining under Government control and/or ownership. Abandoned plant not identified on existing maps but found during operations shall be documented on the drawings noted as remaining under Government control and/or ownership. In order to prevent hazardous conditions, the Contractor shall be responsible for ensuring that no interconnections exist between abandoned and utilized facilities.

#### C.5.1.8 Change of Ownership.

If the Contractor sells or otherwise conveys ownership of the system at any time during the contract period, the conveyance shall be subject to this contract and any subsequent owner shall become successor-in-interest under this contract. Changes in ownership of the Contractor's company, corporation or similar parent organization are subject to contracting officer approval in accordance with FAR Subpart 42.12, Novation and Change of Name Agreements, **unless sale is under the jurisdiction of an independent regulatory body. If sale is subject to regulatory jurisdiction the contractor shall provide written notification to the Contracting Officer within 120 days prior to sale.**

### C.5.2 Employees

The Contractor shall designate a Project Manager for this contract. The Project Manager shall be responsible for the complete coordination of all work under this contract. The Government shall not exercise any supervision or control over the Contractor employees performing services under this contract. Such employees shall be accountable solely to the Contractor.

The Contractor shall not employ any person for work on this contract if such person is identified to the Contractor as a potential threat to the health, safety, security, general well being, or operational mission of USMA or population.

Where reading, understanding and discussing environmental, health and safety warnings are an integral part of a contract employee's duties, that employee shall be able to understand, read, write, speak, and communicate effectively in the English language. All employees that interface with customers shall be able to speak and understand the English language.

#### C.5.2.1 Personnel Appearance and Identification

The Contractor's personnel shall present a neat appearance and be readily recognized as Contractor employees.

If required by USMA, the Contractor shall ensure each employee obtains from Security Forces an identification card that shall include at a minimum the employee's name, employee's photograph, and Contractor's name. Each Contractor employee shall follow established Installation procedures for displaying their identification card while within the boundaries of USMA.



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**C.5.2.2 Employee Certification**

The Contractor shall ensure that employees meet all applicable federal, state, and local certification, licensing, and health and safety requirements to perform all assigned tasks and functions as defined in this contract.

**C.5.2.3 National Agency Check**

The Contractor shall provide sufficient information to obtain complete and favorable National Agency Check (NAC) investigations for its employees for unescorted entrance into restricted areas on base. Normal access to USMA shall be in accordance with paragraph C.6, *Access to the Utility System*. The Contractor shall justify to USMA Security Forces requests for NAC on Contractor employees requiring unescorted entry into restricted areas. Final approval for unescorted entry into restricted areas rests with USMA Superintendent.

**C.5.2.4 Controlled Access Areas**

The Contractor shall apply for personnel security clearances required for performance after the contract is awarded. Personnel requiring access to secured areas or restricted areas under the control of USMA shall comply with applicable regulations.

**C.5.2.5 Coordination of Subcontractors**

Subcontractors are subject to the same requirements as the contractor's in-house personnel. It shall be the responsibility of the prime Contractor to be fully informed and in control of the extent of the limits of work to be performed by his sub-Contractors. The prime Contractor shall coordinate and be responsible for all coordination of various trades and work.

**C.5.3 Contractor Vehicles**

All Contractor vehicles shall be readily identifiable. Identification shall include displaying Contractor name in a clear and unobstructed location on the vehicle.

**C.5.3.1 Vehicle Registration and Operation.**

The Contractor and Contractor employees shall register vehicles with the USMA Provost Marshal within 5 working days from date of employment and renew registration annually thereafter. The registrant shall remove the registration decal from the registered vehicle upon termination of employment or sale of vehicle. Personnel operating vehicles on government property shall possess a valid New York or other state driver's license. The Contractor shall not fuel and/or maintain personal or Contractor owned vehicles in government furnished facilities.

**C.5.3.2 Vehicle Safety Inspection.**

Privately owned and Contractor owned vehicles operating at USMA are required to display a valid mechanical safety inspection sticker. If the state in which the vehicle is licensed or registered does not require a mechanical safety inspection, the requirements of the State of New York in this respect will govern. In addition, all contractor and subcontractor vehicles shall be operated and maintained in accordance with NYSDOT requirements for the USMA area.

#### **C.5.3.3 Traffic Codes.**

All vehicles operating on the above named military reservation are subject to the Traffic Codes published by USMA. Copies of the Traffic Codes are available in the Provost Marshal's Office.

#### **C.5.3.4 Work Staging, Vehicle Parking Areas, and Customer Notification**

The contractor will coordinate vehicle parking, work staging areas, and with the Contracting Officer's Representative (COR) prior to performing work.

### **C.5.4 Contractor Radios**

Communications equipment (telephones or radios), required for execution of work on the installation, may be installed after receiving written approval from the Contracting Officer. Additional communications equipment frequencies, antenna locations, and equipment placement in or on real property facilities shall be approved prior to installation or operation. Prior to operating two-way, portable, or landmobile devices on USMA, the Contractor shall obtain approval of USMA Communication Group by requesting an available clear frequency. The Contractor shall follow all installation procedures for operating radios on USMA IN ACCORDANCE WITH DFARS 252.235-7003, *Frequency Authorization*.

## **C.6 ACCESS TO THE UTILITY SYSTEM**

Access to USMA and the utility system shall be in accordance with the Easement. The contractor will be restricted in secure areas, live fire training areas, and during times when the post is secured due to threat or alert. The Government may limit or restrict the right of access granted in any manner considered to be necessary (e.g., national security, public safety). If the Contractor locates a construction trailer on post, a no-cost license will be issued. The license will be for a term commensurate with the construction period and will provide for termination of the license upon completion of the work. Access for major projects shall be coordinated with the COR ten working days prior to performance of work. USMA is a closed post and access may be limited at times with controlled gate openings and closures. Gate operating times and procedures are published by the Provost Marshal's Office. Unscheduled gate closures by the Military Police may occur at any time, and personnel entering or exiting USMA may experience a delay due to vehicle inspection, registrations, wearing of seat belts, etc. When an unforeseen closure of USMA occurs during normal duty hours, the Contractor shall reschedule the work. The exact date and time will be coordinated with the COR. Emergency work shall continue regardless of closure of USMA.

## **C.7 Response To Service Interruptions and Contingencies**

The Contractor shall employ sound utility practices to ensure continuous, dependable, and reliable utility service is provided to USMA 24 hours each day and to minimize the scope and length of any service disruption.

The Contractor shall establish and adhere to standards for responding to service requests and service interruptions as described herein. The standards shall distinguish between different categories (routine, emergency) of service requests and service interruptions and, identify response times for each category. The Contractor shall incorporate the Standards and operational plans for meeting the standards in a Service Interruption/Contingency Plan. The Service Interruption/Contingency Plan will be incorporated in the contract at time of award.

### **C.7.1 Government Responsibilities.**

The Government will receive service and trouble calls through the DHPW service desk during normal operating hours (0745 – 1630) and through the power plant other times. The Government call center representative will contact the contractor Service Office to report service and trouble calls.

### **C.7.2 Contractor Responsibilities.**

C.7.2.1 The Contractor will provide a 24-hour Service Office telephone number to the Government. This number shall be manned at all times by a Contractor employee or answering service (neither answering machines nor pagers are acceptable).

C.7.2.2 The Contractor shall implement a Trouble Ticket reporting system that maintains a record of calls for repairs, outages, and restoration of service. This record shall include the service performed, the time of notification; the time expended repairing or restoring service, and the cause of the outage (if applicable). This information shall be provided to the Contracting Officer's Representative (COR) at the end of each month.

C.7.2.3 The Contractor shall provide a list of the points of contacts during non-duty hours. As a minimum, this list should include the name(s), position/title and phone(s) number(s).

C.7.2.4 Upon notification of an outage or other service call on USMA, the Contractor shall respond and take action to safeguard life and property within 30 minutes during normal duty hours (0745-1630, Monday through Friday) and within one hour during non-duty hours. To respond means the contractor shall have a representative on-site properly equipped and capable of assessing the situation, arresting any reasonably expected hazard to life and property, and determining the necessary action to effect repairs. The contractor shall correct any safety condition within the time required by applicable law or regulation. If there is a loss of electric service, the contractor shall diligently and continually pursue the repair until service is restored. If repairs cannot be completed at that time, the Contractor shall ensure danger or risk is eliminated and shall notify the COR as to the status of the repair work. The above response times do not apply to conditions where inclement weather (tornadoes, ice/snow storms, major lightning storms, floods) prevents normal operation. It is recognized that extraordinary conditions will cause the response times to vary proportionally to the number and expanse of system outages, and the priority of service restoration.

C.7.2.5 Response to Fires and Other Emergencies. The Contractor shall provide all equipment and supplies necessary to assist firefighters and other emergency personnel for incidents requiring de-energizing and securing of electrical lines, equipment, or services. The Contractor shall respond and take any action necessary to safeguard life and property. The Contractor shall coordinate his work with emergency management personnel (fire department, police, etc) as appropriate.

C.7.2.6 Emergency Operations. The Contractor's Service Interruption/Contingency Plan shall contain a section that provides an Emergency Operation plan for USMA. This plan shall be based on the contractor's assessment of events that can cause widespread and prolonged service interruption to the USMA. The contractor shall document all aspects of the contractor's response to emergency conditions including but not limited to system failures due to acts of God, or breakdown. This plan shall be based on the system inventory and the contractor's Operation and Maintenance Plan, and identify all system elements that are key to providing service to USMA. For the key system components/elements, the plan shall provide a listing of all equipment and

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supplies that will be required to handle the emergency event. The plan shall include a listing of supplies and equipment that will be stored at or near the facility, or if the equipment or supplies are not readily available, address how they will be procured. The plan shall include an Emergency Resource Personnel Chart showing the number of persons available for use and their disciplines (clerical, engineering, customer service, etc). The plan shall include the steps that will be taken in the event of an emergency, from initiation to complete restoration of service. This shall include, but not be limited to, how emergency events will be reported and to whom, identification of personnel who will be responding first as well as their responsibilities, proposed response times and all steps that will be taken to protect other property and/or personnel from being impacted. In the event of a major disaster, identify the service restoration priorities (which systems will be restored first, second, Third, etc.). The plan shall identify the corporate point of contact and their role in resolving emergencies, enacting preparedness training exercises and documenting how emergencies were handled. This shall lead to development of reports assessing the readiness of their forces as well as identifying areas for improvement. Describe any obligations to any surrounding utility services and how these obligations will be satisfied.

An initial plan shall be submitted 30 days prior to commencement of operation and maintenance services. The plan shall be updated when changes occur but as a minimum every 5 years. The plan shall list the priority of service restoration for the installation and other customers (if applicable) in the service area. In the event damages from a storm or disaster is widespread and affects the Contractor's other customers (off the installation), USMA personnel at the installation must be informed of the Installation's restoration priority. The order of priority for service restoration at USMA is medical, command and control, heating facilities, feeding facilities with others following.

## **C.8 Repair Response Notification Procedures**

The Contractor shall provide to the Government clearly defined procedures by which installation personnel can submit service requests to the Contractor. The Government will be responsible for disseminating such procedures within USMA. The Contractor shall provide to the Contracting Officer the name of the local Project Manager or other responsible person and an alternate with after-hours contacts' telephone numbers. The procedures and point of contact information shall be finalized 30 days prior to commencement of operation and maintenance services and shall be updated whenever changes are made.

## **C.9 Coordination of Work**

### **C.9.1 Routine Work**

Routine work, such as scheduled maintenance, testing, and placement or retirement/removal of system components, shall be coordinated with the Contracting Officer or the Contracting Officer Representative (COR), on a weekly basis, to ensure minimal impact to Post missions and operations. Contractor shall provide, in writing, the name of a single point of contact for coordination. The Contractor shall submit for approval by the Contracting Officer a workplan containing the type and extent of work to be performed. Open trenches or road restrictions will not be permitted without the approval of the Contracting Officer and must be coordinated with the dig-permit system.

### **C.9.2 Service Requests**

The Contractor shall record all service request calls, documenting the time of the call, time of service response, cause of request, and action taken (including time and date completed). Such

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records shall be retained for 2 years and may be reviewed by the Contracting Officer upon reasonable request and with reasonable notice.

If the request affects operations, the Contractor shall coordinate all work with the person responsible for the building or facility and the Contracting Officers Representative. The Government will provide the Contractor with a list of Government representatives and the buildings or facilities for which they are responsible.

Emergency service requests submitted to the Contractor, or emergencies identified by the Contractor, shall be reported immediately to the Contracting Officer's Representative.

**C.9.3 Connections and Disconnections**

The Contractor shall coordinate any connections or disconnections with the Contracting Officer's Representative.

**C.9.4 Work Control.**

The Contractor shall take into full account the special Public, Historic, Military, and Academic nature of the United States Military Academy and its prominence as a tourist attraction, all of which will be in operation during the course of this contract.

C.9.4.1 Housekeeping. The Contractor shall ensure that all debris and materials are properly controlled at work areas and a final site clean up is completed at the end of projects or repair. In the performance of any work under this contract all areas shall be maintained in a neat, clean and orderly fashion. Where materials, supplies, or equipment cannot be kept on the designated site area in neat, clean and orderly fashion, and thereby cause an unnecessary eyesore, they shall be moved to other locations, on or off Government property, as directed by the Contracting Officer. The Contractor shall, at all times, furnish from his own organization a sufficient force to carry out the housekeeping and cleanup requirements on both exterior and interior areas affected by his contract operations, on a day to day basis throughout the life of the contract.

For projects that produce debris or waste material, the Contractor shall provide and maintain a dumpster of sufficient size at each project site. The dumpster shall be replaced at regular intervals to avoid overfilling and spillage and the area around the dumpster shall be kept clean at all times.

Debris and other rubbish shall be disposed of, off of the Military Reservation. Burning of rubbish or site removal items will not be permitted. Scrap, debris and surplus construction materials are not to be disposed of in the "Post Sanitary Disposal Containers" (Dumpsters), which are distributed throughout the area, but must be loaded in the Contractor's dumpsters for disposal at a location other than the United States Military Academy.

C.9.4.2 Pedestrian Traffic Ways. Sallyports and other access ways shall be fully usable. The Corps of Cadets will actively use the sallyports. Sidewalks and paths shall be maintained in safe and usable condition to the fullest extent practicable during project performance. On Fridays before the home football game, the Contractor shall either temporarily backfill all excavations or plate them.

C.9.4.3 Site Restoration. The Contractor shall restore all work areas to a condition equivalent to that existing prior to the Contractor's work, including any required cleanup, restoration of paved areas, vegetation, painting, removal of marks, patching, and so forth. All marking of pavements or other areas will be coordinated prior to marking. All construction materials, debris and soil, shall be removed from USMA by the Contractor. All waste material and housekeeping during the

period of Contractor operation shall be the responsibility of the Contractor to remove and dispose of off USMA's property. Disposal of this material shall be in accordance with Federal, state, and local laws and regulations.

C.9.4.4 Protection of Buildings, Contents, Monuments, Landscape, and Other Improvements. Any damage to existing structures, landscape, monuments, buildings, facilities, equipment, and contents with the building caused by the neglect of the Contractor, shall be repaired, restored, or replaced promptly by and at the expense of the Contractor. As a precaution to protect the contents of the building, the Contractor is required to secure the work area at the end of the work day, by the use of an approved means, which shall be submitted to the Contracting Officer for approval prior to work.

### **C.9.5 Scheduled Utility Service Interruptions**

Scheduled outages shall be coordinated with the DHPW ten working days prior to the scheduled outage. Notification shall include date, time of outage, a list of buildings that will be affected and the estimated time until the service will be restored. The Government will notify all parties affected by the outage. The Contractor shall cooperate to facilitate electric service outages required by the Government. The Government reserves the right to deny scheduled utility outages and reserves the right to cancel at any time, before or during, a scheduled outage at no cost to the Government, if such interruption might adversely affect USMA's missions and operations. The Contractor shall immediately inform the Government of instances where stopping work will place people or equipment in danger and agreement will be reached as to how soon service can be restored while achieving a safe system configuration. If an interruption is postponed, the parties shall coordinate a mutually acceptable alternate time for the scheduled service interruption

### **C.9.6 Line Location and Digging Permits.**

All excavations on USMA shall be performed only after receipt of a digging permit except in cases of an emergency (e.g. a faulted/damaged underground conductor). If the excavation is required by other than the Contractor, the Contractor shall locate and mark underground electrical lines. All requests for digging permits will be made to the USMA DHPW in accordance with the USMA Dig-Safe Permit Policy (See Attachment J.17). The DHPW will maintain a log of requests using a number to track requests and permits. All parties will refer to the tracking numbers in correspondence. The DHPW will notify each affected utility within 24 hours of receipt of requests. The Contractor is responsible for updating electrical distribution system drawings and submitting a report on any identified changes to other utility or underground facilities discovered during the digging.

### **C.9.7 Working Conditions - Hours of Work and Government Holidays.**

**C.9.7.1 Working Hours** - Normal working hours shall be Monday-Friday 0745 to 1630 hours. The Contracting Officer must approve differences to these working hours.

**C.9.7.2 Non-Working Hours** - During the course of this contract the Contractor shall not perform any physical work on the days/periods listed below:

(1) Graduation Week: A seven day period starting the Sunday before graduation. This is usually the end of May or beginning of June.

(2) Reception Day: A single day in the end of June or early July when the new Cadet class arrives.

(3) Football Home Games: Exact dates will be furnished to the Contractor on request in the year that they will occur.

(4) All Government Holidays.

New Year's Day

Martin Luther King's Day

President's Day

Memorial Day Holiday

Independence Day Holiday

Labor Day Holiday

Columbus Day Holiday

Veterans Day Holiday

Thanksgiving Day

Christmas Day

Special Events, of no more than two (2) days in duration (i.e. Presidential Visits).

**C.9.7.3 Ceremonies.** - Parades, reviews or similar ceremonies are routinely conducted three or four times a week. Hours of such ceremonies are normally 5:00 p.m. on weekdays and 1130 a.m. on Saturdays, although there are exceptions to these hours. Detailed schedules of ceremonies may be obtained two (2) months in advance on request from the Contracting Officer. The following requirements shall apply to all Contractor's activities in connection with these ceremonies.

(a) Right of way shall be given to cadets marching in formation to or from ceremonies.

(b) During the actual ceremonies, the Contractor's activities that can visually impact the ceremony or produce noise to an extent which would distract or interfere with the ceremony, such as the operation of loud and noisy machinery, shall be suspended until the ceremony is over (except for work that is being performed under emergency conditions).

All cost for conformance with the above stated requirements shall be included with contract amount and no claim for extra cost shall be considered.

### **C.9.8 Coordination Meetings**

The Contractor shall be available for meetings as required by the Contracting Officer.

### **C.9.9 Exercises and Crisis Situations Requiring Utility Support**

The Contractor shall respond to installation emergency and crisis situations (i.e., hostage situations, bomb threats, etc.) and related exercises that require utility support. The Contractor shall respond to these events as soon as possible after notification. The Contractor shall advise and assist the on-scene commander until the event is completed.

### **C.9.10 Compliance With Post Regulations.**

The Contractor shall comply with all Post Regulations, policies and guidance documents that will apply to his operation, particularly those pertaining to fire prevention, sanitation, and the driving/parking plan. In addition to observing these Regulations, the Contractor will insure that all sub-contractors, employees, or other persons connected with the performance of this contract comply with these regulations. The Contractor is responsible for securing proper parking passes, if required, through Contract Administration, Bldg. 681, West Point.

### **C.9.11 Emergency Notification Procedures.**

Contractor personnel witnessing a fire, accident, criminal act, threatening act or condition related to the systems under the contract, shall notify the proper authority on the installation by dialing 911, personally reporting the act or occurrence to the installation Fire Department or Military Police. In case of emergencies (e.g., downed power line, etc), the Contractor shall initiate corrective action and shall immediately notify the Power House, Fire Department, and COR in that order. The Contractor shall record the time of notification, the person notified, and the scope of the emergency or repair. The contractor shall maintain the record of emergency or repair notification for a period of one year.

### **C.9.12 Medical Services.**

Medical services for the Contractor's employees are the responsibility of the Contractor. The Government, however, will provide on emergency basis, medical services for job related injuries while an employee is performing under this contract. The Contractor will reimburse the Government for emergency medical services.

### **C.9.13 Switching and Backfeed during Emergencies.**

The Contractor shall develop and implement a switching procedure for isolation of the electrical system from commercial power sources, and feeding the system or portions thereof from the Powerhouse (at the request of the Contracting Officer). The contractor shall maintain an updated copy of the procedure at the Powerhouse. Switching shall be coordinated with the Powerhouse Operator.

## **C.10 Environmental Compliance**

The Contractor shall be responsible for compliance with all applicable Federal, State, local environmental laws, regulations and programs on this Installation that relate to or may arise under the performance of this contract. The Contractor is required to meet all environmental obligations and coordinate all environmental issues with the DHPW Environmental Office and the Cultural and Historic Preservation representatives. The contractor is responsible for any penalty charges resulting from or against the Department of Defense, Department of the Army, or the Installation, or its agents, officers, or employees due to the contractor's failure to comply with environmental laws, regulations, or programs, that relate to or may arise under performance of this contract. For hazardous chemical or petroleum, oil and lubricants (POL) spills caused by or under the control of the Contractor, the Contractor shall immediately notify the DHPW Environmental Office and COR. The contractor shall take the necessary steps to contain any spill immediately with Contractor furnished materials. Containment and notification shall occur simultaneously. Cleanup and restoration shall be the responsibility of the Contractor, to the satisfaction of the Contracting Officer. The Emergency Planning and Community Right-to-Know Act (EPCRA) requires that site-specific information concerning hazardous chemicals use and releases be



provided. The Contractor is required to maintain an inventory of hazardous materials under its control. This inventory shall be provided to the COR prior to commencing work on the installation and semiannually thereafter, both in writing and electronically. Inventories of hazardous substances shall include quantities received, amount used, and quantities turned in for disposal. The amount not accounted for will be considered as quantities that were released to the environment. Questions in reference to the EPCRA can be directed to the DHPW Environmental Office.

### **C.10.1 Permit Compliance**

Once ownership of the utility system is transferred, the Contractor shall be the party of record for all environmental permits related to operating the system. Thereafter, the Contractor shall be responsible for obtaining any new or revised permits needed to operate and maintain the utility system. The Government shall remain the party of record and retain responsibility for any applicable permits prior to the transfer of ownership, as defined by paragraph C.13, *Operational Transition Plan*, and for those permits that are not transferable.

### **C.10.2 Work in Environmentally Sensitive Areas**

The Contractor shall comply with USMA procedures and standards for work in and around environmentally sensitive or contaminated property. Prior to accessing any environmentally sensitive areas the Contractor shall coordinate with the Contracting Officer's Representative and cognizant environmental representative for the site. The Government will provide the Contractor with updated lists showing environmentally sensitive sites and points of contact.

### **C.10.3 Environmental Studies**

As required by Department of The Army, the Government will perform an environmental baseline survey (EBS) in accordance with Army Regulation (AR) 200-1 (DA PAM 200-1) for conducting system transfer. The EBS is conducted to determine and define existing environmental conditions within the easement boundaries granted to the Contractor, up to the date of transfer of the systems. The Contractor(s) shall be responsible for compliance to the National Environmental Protection Act (NEPA) and the New York State Environmental Quality Review (SEQR) for future environmental assessments/studies relative to the electrical distribution system, and coordination applicable to Federal, State, and local agencies. This shall include, but not be limited to, assessments, studies, authorizations and coordination necessary to comply with Federal, State, and local laws regarding environmental protection and enhancement, wetlands, endangered species, cultural/historic/archeological, and hazardous/toxic materials and wastes, as required for Federal Facilities.

### **C.10.4 Environmental Remediation**

The Contractor will be responsible for accomplishing at no cost to the Government any environmental response required as a result of the Contractor's activities. The Government will retain responsibility for remediation of pre-existing environmental contamination.

### **C.10.5 Environmental, Historical, and Cultural Resources Protection Plan (EPP).**

The Contractor shall implement environmental protection measures for all applicable operations under this contract in accordance with existing Government environmental protection plans and governing Federal, State, and local laws and regulations. The Contractor shall develop and submit one copy of the EPP to the Contracting Officer or designated representative not later than 30

calendar days after contract award. The EPP shall detail the Contractor's plan for implementing requirements for pollution prevention and control, natural and cultural resource conservation and protection (C.17 UNIQUE HISTORICAL, ARCHITECTURAL AND LANDSCAPING REQUIREMENTS), solid and hazardous waste management. The EPP shall demonstrate the methodology for ensuring continuing compliance with federal, state, and local Laws and regulations including, but not limited to, 40 CFR "Protection of the Environment", 49 CFR "Transportation", 6 NYCRR "Conservation", AR 200-1, AR 200-1, AR 200-3, AR 200-4, USMA Spill Prevention Control Countermeasures Plan, USMA Installation Spill Contingency Plans, and the USMA Hazardous Waste Management Plan. Methods of storing hazardous materials shall be included in the EPP. The EPP shall include sub-plans that complement the Government's counterpart plans. The plan shall be updated as often as required, but no less than annually, and submitted to the Contracting Officer.

### **C.10.6 Toxic/Hazardous Material and Waste Management.**

The Contractor shall have available at each work site where hazardous materials and hazardous waste are used or stored, the applicable Material Safety Data Sheets (MSDS). MSDS shall be readily available to employees, the Contracting Officer and PW. The Contractor will ensure employees are trained in the proper handling of hazardous materials IN ACCORDANCE WITH 29 CFR Part 1925, other OSHA regulations and directives, and the USMA Hazard Communication Program.

### **C.10.7 Environmentally Preferred Products**

The Contractor shall use Contractor-obtained environmentally preferred products for the performance of this contract. Unless otherwise specified, in all instances where a product containing non-hazardous components can be substituted for a product with hazardous components, the Contractor will use the product containing the non-hazardous components. IN ACCORDANCE WITH the Emergency Planning and Community Right-to-Know Act (40 CFR Section 303, et. seq.), and AR 200-1, the Contractor shall provide the Contracting Officer or designated representative with a list of Hazardous materials, quantities used, and copies of all applicable MSDS. The Contractor shall clearly label all hazardous material containers IN ACCORDANCE WITH all Federal, State, Local and USMA Regulations. All hazardous materials shall be stored IN ACCORDANCE WITH the MSDS requirements, and USMA Fire, Safety and Environmental regulations. The Contractor shall verify that materials stored together are compatible. Flammable materials shall be stored in properly marked fireproof lockers or other approved containers. All hazardous materials shall be stored in such a manner as to prevent exposure to the natural elements, such as, rain, snow, dust, and wind. The Contractor shall provide for adequate containment, documentation, transportation, tracking, and turn-in for the disposition of hazardous materials.

### **C.10.8 Handling of Hazardous Waste**

The Contractor shall handle, inspect, store, transport, and dispose of all hazardous waste IN ACCORDANCE WITH 40 CFR Sections 260-265 and 6 NYCRR 370, et. seq. Unless otherwise directed, the Contractor shall characterize all hazardous materials and hazardous wastes. Unless otherwise directed, the Contractor shall use its own EPA identification number in the manifesting, transport and disposal of hazardous wastes. Hazardous materials and hazardous waste training records shall be maintained onsite and shall be readily accessible to the Government.

### C.10.9 Spills

The Contractor shall contain and cleanup spills and discharges encountered during performance of this contract, maintaining on hand hazardous waste/material handling safety equipment and clothing appropriate for the materials/hazards expected to be encountered, IN ACCORDANCE WITH the USMA Spill Prevention Control Countermeasures Plan.

### C.10.10 Contractor Reporting Requirements

C.10.10.1 For any hazardous material release, spill, or discharge incident on the USMA pursuant to Contractor performance, whether or not caused by the Contractor, the Contractor shall immediately notify (no later than 15 minutes) the USMA fire department at 938-3001 and subsequently notify the Contracting Officer. If a project related incident occurs off USMA, the Contractor shall report it to the National Response Center (NRC), the USMA Coordinator, and the Contracting Officer immediately following discovery and shall also comply with applicable State requirements including reporting to the New York State DEC Spill Hotline at 800-457-7362, and UST NRC at 800-424-8802. When an incident is reported by phone to any of the above agencies, the Contractor shall provide the following Information:

- a. Description of Incident.
- b. Time and Location of incident.
- c. Any injuries incurred.
- d. Estimated quantity of materials (tons, gallons, drums, etc.) involved in incident.
- e. Whether the incident has reached any storm drains, sanitary sewers, ponds, or waterways.
- f. Containment procedures already initiated (brief description of containment, i.e. booms, pads, embankment, sandbags.)
- g. The Contractor's point of contact.

C.10.10.2 A written follow-up report shall be submitted to the Contracting Officer no later than five (5) calendar days after the initial incident. The written report shall be in narrative form and as a minimum include the following:

- a. Description of the material involved (including identify, quantity, and manifest number).
- b. What time the incident was reported, and to whom it was reported.
- c. Exact Location of the incident, including description of the area involved.
- d. Cause of incident and equipment and personnel involved.
- e. Injuries or property damage of incident.

- f. Containment procedures initiated.
- g. Summary of any communications Contractor has with press, agencies, or Government officials other than the COR.
- h. Description of cleanup procedures employed or to be employed at the site, including disposal location of incident materials.

C.10.10.3 A follow-up meeting will be held within 5 calendar days after receipt of the written report to discuss after action procedures to eliminate or prevent this type of incident in the future. The Contractor will be required to attend the follow-up meeting.

C.10.10.4 This reporting requirement is in addition to any other environmental related actions, notices, reports, certifications or compliance's required by other contract clauses or provisions or by federal, state or local law.

## **C.11 Expansions, Upgrades, Renewals and Replacements**

### **C.11.1 General**

The Contractor shall be responsible for accomplishing all required upgrades and renewals and replacements to maintain and operate the utility system in a safe, reliable condition, and to meet the requirements of this contract. The Contracting Officer will inform the Contractor of any material changes anticipated in the required system capacity or characteristics of the service required at each existing serviced location or new service locations. The Contracting Officer shall provide the Contractor a copy of the annual updates to the 5-Year Capital Improvement Plan. The Contractor shall, after approval of the Contracting Officer and issuance of additional contract action (if required), upgrade or expand the utility distribution systems as required to provide acceptable service to all new or existing connections. The Contractor shall provide to the Government an estimate for system modifications (including upgrades, additions, etc.) by individual project, providing project data and other pertinent information.

### **C.11.2 Capital Upgrades and Renewals and Replacement**

#### **C.11.2.1 Initial Capital Upgrades**

Initial Capital Upgrades consist of those repair, replacement, and improvement activities of the Contractor required to bring the utility system, as purchased, up to legally applicable regulatory standards so that subsequent renewals and replacements will permit the long-term safe and reliable operation of the utility system, or to ensure that system parameters are adequate to provide quality service. All initial capital upgrades shall be listed in the first submittal of the Capital Upgrades and Renewals and Replacements Plan, as part of the offer.

#### **C.11.2.2 Future Capital Upgrades**

Future Capital Upgrades are investments in the utility system resulting from changes in the requirements, laws or regulations. Capital upgrades may also include the implementation of new technologies.

#### **C.11.2.3 Renewals and Replacements**

Renewals and replacements are investments in the utility system to renew or replace system components that fail or reach the end of their useful life.

#### **C.11.2.4 Capital Upgrades**

The Contractor may propose upgrades in the Annual Capital Upgrade and Renewal and Replacement Plan. The Government will fund Capital Upgrades required to meet legally applicable regulatory requirements that have changed during the contract term. . The Government reserves the right to determine at its discretion whether it will fund proposed Capital Upgrades for the implementation of new technologies. Approved Capital upgrades and improvements identified in the Capital Upgrades and Renewals and Replacements Plan will be paid, in accordance with Paragraphs H.8, *Accounting for Capital Upgrades/Purchase Price*, and the CLIN Schedule when placed into useful service. The Government reserves the right to pay for any capital upgrade as a lump-sum payment rather than by amortizing the capital upgrade costs.

#### **C.11.2.5 Renewals and Replacements**

Renewals and replacements identified in the Capital Upgrades and Renewal and Replacement Plan will be paid in accordance with the CLIN Schedule.

#### **C.11.2.6 Requirements and Standards**

The Capital Upgrades and Renewals and Replacements Plan shall include an assessment of any new or revised standards and clearly address planned system improvements or operational changes needed to comply with such standards.

#### **C.11.2.7 Connections and Disconnections**

The contractor shall provide service connections and disconnections as requested by the installation. Service connections and disconnections will be coordinated with the DHPW. Permanent connections will be considered capital facilities changes and recovered in accordance with Section H.9. Temporary connections/disconnections costs will be recovered through a connection charge or service charge. In the annual updates to the 5-Year Installation Master Plan, the Government will provide a list of new service requirements and anticipated disconnections. The Annual Capital Upgrades and Renewals and Replacements Plan shall include a list of anticipated new service connections, including a preliminary design and estimated construction costs.

### **C.12 Operations and Maintenance**

The Contractor shall operate and maintain the system so as to provide reliable, cost-effective, and compliant service over the term of the contract.

The utility system shall be operated and maintained in accordance with all applicable federal, state, and local laws/regulations. At a minimum, performance standards and/or specifications shall follow best engineering and management practices consistent with the following:

1. Electric distribution system: National Electric Safety Code (American National Standards Institute (ANSI)-C2), National Electrical Manufacturers Association (NEMA), National Electric Code (NFPA-70) (as applicable), and current reference materials published by the Institute of Electrical and Electronic Engineers (IEEE), the Illuminating Engineering Society (IES), and the Insulated Cable Engineers Association (ICEA).

2. Additional standards for operations and maintenance of the utility system the Offeror proposes.

### C.12.1 Quality Management Plan

The contractor shall establish, maintain and adhere to a Quality Management Plan to ensure the provision of reliable, cost-effective and compliant service over the term of the contract.

a. **Quality Control and Assurance Plan.** The Contractor shall develop, document, and implement a quality control and assurance plan for this contract. The Quality Assurance and Surveillance Plan (QASP) shall contain the following: Quality program to ensure the quality of services provided (i.e., that the services and supplies provided to conform to the Contract requirements); inspection procedures; breakdown/downtime record; record keeping, reports, and formats; QC organization; and the operation and maintenance performance standards. This quality plan shall be submitted to the Contracting Officer for approval thirty days prior to system conveyance.

b. **Service Quality.** The Contractor shall implement a Performance, Measurement and Verification Plan, incorporating performance measures for the system similar to the following: 1) complaints received by the DPHW; 2) service response; 3) service unavailability; and 4) system quality (voltage, power factor, etc.). As part of this plan the Contractor shall monitor and document service quality including outages and other indicators of service quality. The plan shall include specific goals and strategies to meet those goals for each of its performance measures. Performance metrics shall be based on industry standards specific to the electric utility. Statistical reporting shall be based on methodologies approved by the New York Public Service Commission. This information shall be provided in a semi-annual report to the Contracting Officer. The report shall provide a history of service (outages, service variations, etc) history for the location and list other areas of the system that may be subject to the same condition. The report shall list steps (actions and schedule for implementation) that will be taken to ensure the problem does not continue or propagate.

c. **Service Continuity Assurance Plan.** The contractor shall develop and implement measures that ensure continuous service and minimize any service disruptions as it relates to system configuration modifications proposed, line maintenance practice, and line repair practice. The plan shall address cost-effective measures to ensure high system reliability and availability factors.

## C.13 Operational Transition Plan

The Contractor shall propose an Operational Transition Plan describing the contractor's plan for the transfer of the utility system from the Government to the contractor. The Operational Transition Plan will be incorporated in the contract at time of award.

The paragraphs below constitute the minimum requirements for the Operational Transition Plan.

### C.13.1 Connection Requirements

The Operational Transition Plan shall include a plan and schedule for the design and construction of new connections, or any new connections as proposed by the Contractor. The Operational Transition Plan shall include procedures for notification of any related outages.

### **C.13.2 New Meter Requirements**

The Operational Transition Plan shall include a plan and schedule for installing any new meters as may be proposed by the Contractor. All new meters required by this contract shall be installed within 30 days of the start of the performance period unless otherwise agreed to by the parties. The Operational Transition Plan shall include procedures for notification of any related outages.

### **C.13.3 Permits and Procedures**

The Government will make initial notification to state agencies regarding the termination or transfer of environmental permits and/or other items, if needed. The Operational Transition Plan shall include a plan and schedule for the transfer or acquisition of permits as required. It is essential that advanced planning occurs and the Contractor initiates the acquisition of permits within 1 week after contract award.

### **C.13.4 Inventory and Transfer Requirements**

Checklists will be the basis for the transfer of operations to the Contractor.

#### **C.13.4.1 Inventory and Transfer of Facilities and Fixed Equipment**

The Operational Transition Plan shall include a detailed plan, schedule, and checklist for the joint inventory of all facilities and fixed equipment.

#### **C.13.4.2 Inventory and Transfer of Non-fixed Equipment, Spare Parts, and Personal Property**

The Operational Transition Plan shall include a detailed plan, schedule, and checklist for the joint inventory of personal property transferring from the Government to the Contractor.

#### **C.13.4.3 Transfer of Manuals and Records**

The Operational Transition Plan shall include a detailed plan, schedule, and checklist for the joint inventory of all operating manuals, record drawings, plans and specifications, maintenance records, and other such information available for each utility.

#### **C.13.4.4 Joint Inventory**

A joint inventory will be completed prior to the start of the performance period. The final Easement will be amended to reflect the results of the joint inventory.

### **C.13.5 RESERVED.**

### **C.13.6 Authorized Personnel and Points of Contact**

The Operational Transition Plan shall clearly define all Contractor personnel holding authority to sign for transfer of operations and property. The Operational Transition Plan shall also provide contractor points of contact (names and phone numbers) for work to be performed under the contract.

## **C.14 Safety and Health.**

### C.14.1 Safety and Health Plan.

The Contractor shall develop, document, and implement a safety and health plan for this contract that safeguards the lives and health of employees and other persons, prevents damage to property, materials, supplies, and equipment, and prevents work interruptions. The plan shall comply with all applicable federal, state and local health and safety requirements (e.g., the Occupational Safety and Health Administration (OSHA) requirements (29 CFR 1910 and 1926)), and be prepared in accordance with applicable provisions of the U.S. Army Corps of Engineers Safety and Health Requirements Manual, EM 385-1-1, and the applicable installation safety and health requirements. The plan shall address those elements that are specific to this site and has potential for negative effects on the safety and health of workers and other personnel on site. The key elements of the plan should include: intention and method of compliance with Federal, state and local safety and health requirements; an accident prevention program; listing and application of personnel protective equipment; personnel medical surveillance; listing of personnel responsible for safety and health; standard reports, logs, and record keeping; noise control; standard operating procedures and work practices; and the operational and health and safety qualifications and responsibilities of delegated safety and health officer.

This Safety and Health Plan shall be submitted to the Contracting Officer for approval sixty days prior to system conveyance.

EM 385-1-1 is available at <http://www.hnd.usace.army.mil/techinfo>. AR 385-40 is available at

[http://www.usapa.army.mil/pdffiles/r385\\_40.pdf](http://www.usapa.army.mil/pdffiles/r385_40.pdf). The Contractor shall comply with accident reporting requirements as outlined in the U.S. Army Regulation No. 385-40. All accident reports shall be submitted to the Contracting Officer.

The following publications/standards are recommended for Contractor reference files. This is not intended as an all-encompassing list.

OSHA 1926 Construction

OSHA 1910 Industrial

ANSI Standards

### C.14.2 Specific USMA Requirements

In performance under this contract, the Contractor shall observe the following specific measures.

- a. Prior to commencement of work at any job site, the Contractor shall submit a detailed accident prevention plan, written for the specific work to be performed. The plan shall include but not limited to control measures the Contractor shall take to control hazards associated with materials, services, operations or equipment. The Contractor shall ensure that any additional measures the Contracting Officer determines to be reasonably necessary for this purpose are taken.
- b. The Contractor shall designate a member of the Contractor's management or a Safety/Health representative to provide for frequent and regularly scheduled safety/health inspections of work sites. The Contractor's representative shall be certified to be knowledgeable of OSHA 1910 (Industrial), OSHA 1926 Construction and EM 385 1-1. The Contractor's representative shall correct any unsafe/violated condition immediately.
- c. Prior to bringing hazardous substances, as defined in 29 CFR 1910.1200, on to the job site, all employees involved shall be advised of Material Safety Data Sheet (MSDS) information and a



copy of each hazardous substance's MSDS shall be provided to the Contracting Officer. The Contractor shall inventory all materials requiring MSDS information on a weekly basis. This inventory shall be put into a report named "Hazardous Substances Location Report" (HS). For all materials requiring MSDS information, the report shall include as a minimum the following:

- a. Common Name for each material
- b. Location of each material
- c. Hazardous substance & Chemical Abstract Substance Registry Number (CAS)
- d. Quantity of each substance

The inventory shall be conducted **initially** and **semi annually** thereafter and shall be submitted to the Contracting Officer. This requirement is in accordance with the Emergency Planning and Community Right to Know Act (EPCRA) Inventory. Additional instruction on this act can be acquired from the West Point Environmental Management Office upon request through the Contracting Officer.

- d. The Contractor shall provide approved safety barricades, signs, and signal lights at work areas. Plastic safety fencing is not approved for use at USMA.
- e. The USMA Safety Manager or his designate will shut down any job performed in an unsafe or hazardous manner or that creates an imminent danger to USMA or Contractor employees. The Contractor will receive no compensation for such occurrences.

## C.15 Reporting Requirements

The contractor shall be responsible for any reporting required by local, State and Federal regulatory bodies. The Contractor shall provide the Contracting Officer with information as necessary to support reports required by the Department of the Army.

## C.16 ANNUAL SERVICE PLAN.

The contractor shall submit an Annual Service Plan on or before February 1st of each year. The plan shall cover all work projected and estimated costs for the following Government's fiscal year (October 1 - September 30). The initial Draft Annual Service Plan shall be submitted within six months of contract award and shall cover the scope and estimated costs for the remainder of the current Government fiscal year. The Government may request clarification or modification of any plan within a thirty-day period from the submittal of each such plan. The Contractor shall respond to the Government's comments within a thirty-day period from the date it receives the Government's comments. This response shall state whether the Contractor agrees with the proposed modifications the Government has requested, or it shall include reasons why the Contractor does not agree with requested revisions. The Contractor shall not be required to modify its plan to incorporate Government comments if, in the Contractor's discretion, such changes might adversely affect health and safety standards; or if such changes are not consistent with the Contractor's operating standards and procedures for service to customer classes with service requirements substantially similar to requirements at the installation. The Government review will be for the purpose of verifying that service is rendered in accordance with the terms of the contract and that the Contractor's proposed expenditures are consistent with the Government's budget requirements, as well as for necessity of effort and reasonability of costs. The Government may at this time negotiate with the contractor for items that affect the Government's cost of service. The contractor shall be responsible for providing the revised tasks

below. The Contractor shall provide electronic copies along with the hardcopies. If submittal of the Annual Service Plan coincides with a price redetermination milestone, the contractor shall submit a price proposal in accordance with Section I, FAR 52.216-5, Price Redetermination – Prospective. Fixed price information contained in the Annual Service Plan submittal will be utilized to set cost spending limits.

1- Annual Budget and Expenditure Report: The annual budget shall include all costs (renewal/upgrade, O&M, overhead, profit, and other) to be incurred by the Government for the next fiscal year and the following six fiscal years. In addition, an expense report detailing the costs incurred over the past year shall be included. The budget and expenditure report will assist in the Government's planning and budgeting efforts. The Government requires costs to be sufficiently delineated and described so that the Government may easily understand the costs being budgeted and the justification of those costs. The annual budget and expenditure report shall conform to the same level of detail and format as the Contractor's cost proposal to allow comparison of proposal, budgets, and expenditures

## 2 –Annual Capital Upgrades and Renewals and Replacements Plan

The Contractor shall prepare and submit an Annual Capital Upgrades and Renewals and Replacements Plan that identifies capital upgrades and renewals and replacements the Contractor intends to accomplish. The Annual Capital Upgrades and Renewals and Replacement Plan shall contain a proposed upgrade list for each of the next 7 years. The plan shall be structured as follows:

- Year 1 shall include detailed upgrade information including site plans, cost estimates, upgrade schedules, an analysis of the impact of construction on installation operations and the environment, and address safety requirements.
- Years 2-7 shall include upgrade lists with upgrade descriptions, order-of-magnitude estimates, and proposed site plans.
- The initial Capital Upgrade and Renewals and Replacements Plan included in the proposal shall describe initial capital upgrades and initial renewals and replacements in the same detail as required for Year 1.

For offerors submitting tariff-based price proposals, future capital upgrades shall be included in the applicable tariff rates. Accordingly, the above cost estimate information is only applicable to initial capital upgrades.

The Contracting Officer will advise the Contractor of installation development plans with the potential to impact system requirements.

The first Annual Capital Upgrades and Renewals and Replacements Plan shall be submitted within six months of contract award and shall cover the scope and estimated costs for the remainder of the current Government fiscal year. Thereafter the plan shall be submitted no later than February 1st of each year. The Plan shall be submitted to the Contracting Officer. The Government may request clarification or modification of any plan within a thirty (30) day period from the submittal of each such plan. The Contractor shall respond to the Government's comments within a thirty (30) day period from the date it receives the Government's comments. This response shall state whether the Contractor agrees with the proposed modifications the Government has requested, or it shall include reasons why the Contractor does not agree with requested revisions. The Contractor shall not be required to modify its plan to incorporate Government comments if, in the Contractor's discretion, such changes might adversely affect health and safety standards; or if such changes are not consistent with the Contractor's operating

standards and procedures for service to customer classes with service requirements substantially similar to requirements at the installation. The Government review will be for the purpose of verifying that service is rendered in accordance with the terms of the contract and that the Contractor's proposed expenditures are consistent with the Government's budget requirements, as well as for necessity of effort and reasonability of costs. The Government may at this time negotiate with the contractor for items that affect the Government's cost of service.

3 – Operations, Maintenance and Repair Plan: The Contractor shall develop and maintain an Operations, Maintenance, and Repair Plan for the USMA electrical system. The plan shall provide an integrated task list and schedule for system operation and maintenance of the electrical system on post. Operations are defined as performance of the day-to-day tasks required in the provision of consistent service or flow of commodity to each service location. Maintenance is defined as both preventive and corrective maintenance necessary to maintain each system component in serviceable condition. The plan shall contain preventive and corrective maintenance activities to be performed on post each service year. This plan shall address planned activities for specific critical equipment (by unique identifier) that requires annual maintenance or calibration (e.g. substation components, switchgear, meters, tree trimming, etc.), and classes of other equipment not requiring proscribed annual attention, using the Federal Energy Regulatory (FERC) system of account categories (364 - Poles, Towers, Fixtures, etc.). For preventive maintenance and periodic operation, the level of detail in the plan will communicate the nature of each activity, frequency, personnel who perform the work, and a schedule for accomplishment (timeframe and duration). For corrective activities the contractor shall project work (based on the inventory and plant condition, experience, etc.) to be performed on an annual basis. The level of detail shall be sufficient to communicate the nature of each activity, personnel who perform the work, and anticipated frequency of occurrence and duration. The plan shall discuss any activity that requires power outages or other potential disruption to USMA activities.

(a) Staffing Plan. The contractor shall provide a staffing plan for review by the Government to ensure adequate resources will be available to meet the requirements of the Government. The plan shall include an organizational chart showing the number of persons available and their respective disciplines/positions (clerical, engineering, customer service, etc). Key management personnel, as well as their alternates, shall be identified. The plan shall address which team members will perform various tasks and where the personnel, vehicles, and material (inventory) will be located (on-site, off-site, home office, etc.). The plan must also address the total responsibility (number of customers served) by the staff.

(b) Safety and Health Plan. See Section C.14.

(c) Quality Assurance and Surveillance Plan. See Section C.12.1.

4 – Periodic System Studies. The contractor will propose system studies and mathematical models to define and characterize the critical system parameters. The contractor's plan will define and describes each study and the frequency that each study is performed. The studies will provide a condition assessment to define the system condition in terms of age and functional state, and verify the adequacy of the system in terms of capacity, flow, dynamic characteristics (voltage drop, load flow, power factor), and coordination of system protective devices (fault current, coordination). They will be further used to identify the requirements for system expansions/modifications including (upgrades) necessary to meet the Installation's utility services current needs and future projects.

5 – Performance Measurement and Verification Plan. See Section C.12.1.

6 – System Inventory. The Contractor shall prepare and maintain a system inventory database. The system database will define the quantity, types, and age of components that comprise the system. The system book value will be determined based on the inventory and accepted valuation techniques (only if necessary for the Contractors pricing structure). The annual system inventory report will provide an assessment of the average system age, condition, and book value, and replacement cost.

7 – Service Interruption/Contingency Plan. See Section C.7.

NOTE: If items 2, 3, 4, 5, 6, or 7 do not require revisions, these documents will not be required to be reproduced in the current year's Annual Service Plan. The contractor must state which documents are not changed from the previous year in the executive summary of the Annual Budget and Expenditure Report.

## **C.17 Unique Historical, Architectural and Landscaping Requirements.**

Due to its historical significance USMA has a number of unique architectural and landscaping requirements. The contractor's operations shall not detract or defile any of the unique architectural structures or the landscape at this facility. Any areas damaged or scared during operations shall be restored to its original condition at completion of the work. The contractor shall provide special treatment of above ground equipment sites to improve the aesthetics of the area in keeping with the surroundings.

Artifacts, Preservation & Protection of Historical, Archaeological and Cultural Resources. Any and all items of prehistoric, historic and military relics or memorabilia, which may be discovered in the course of the construction activities, shall remain the property of the Government. Examples of such items include but are not limited to: printed matter or other papers, buttons, buckles, or fragments of uniforms, buried weapons, bayonets, sabers, cannon balls, ammunition, fragments of structures or foundations, in short any item of historical or archaeological value. Federal legislation provides for the protection, preservation and collection of scientific, pre-historical, historical and archaeological data, including relics and specimens which might otherwise be lost due to alteration of terrain or building features as a result of any federal construction project. Any person who, without permission, injures, destroys, excavates, appropriates or removes any historical or pre-historical artifact, object of antiquity or archaeological resource from public lands of the United States is subject to arrest and penalty of law.

Cultural resources on Federal property are protected and managed by the Archaeological Resources Protection Act of 1979 and other applicable laws. The Contractor shall exercise care so as not to disturb or damage artifacts or fossils (should any be uncovered) during the excavation operations. Should the Contractor or any parties operating or associated with the performance of this contract discover evidence of possible scientific, prehistoric, historic or archaeological finds within the work limit lines or adjacent to work area shall immediately cease work at that location and notify the Contracting Officer, in accordance with USMA SOP 16-1. The Contractor shall provide the Contracting Officer with all information as to the specific location and nature of the findings. USMA SOP 16-1 will be furnished to the Contractor upon request. The Contractor shall cooperate fully with the Contracting Officer in implementing the procedures of USMA SOP 16-1, except that all notifications by the Contractor shall be to the Contracting Officer and that all directions to the Contractor will be from the Contracting Officer. Where appropriate by reason of

## West Point Electric

discovery, the Contracting Officer may order delays in time of performance or changes in the work or both. If such delays or changes are ordered, an equitable adjustment will be made in the contract in accordance with the applicable clauses of the contract.

**C.18 Notification of Inspection**

The Contractor shall immediately inform the COR, Post Safety Office or Environmental Management Division (EMD), Directorate of Engineering and Housing, USMA through the Contracting Officer or the Contracting Officer's Representative when the United States Environmental Protection Agency (EPA), the New York State Department of Environmental Conservation (DEC), The NYS Public Service Commission, or OSHA, inspector visits the site for an official inspection.

SECTION G

## Contract Administration Data

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### G.1 CONTRACT MANAGEMENT

CONTRACT ADMINISTRATION WILL BE EFFECTED BY THE CONTRACTING OFFICER. COMMUNICATIONS PERTAINING TO CONTRACTUAL ADMINISTRATION MATTERS WILL BE ADDRESSED TO THE CONTRACTING OFFICER LISTED BELOW.

#### Contracting Officer Information

Sharon H. Butler  
U.S. Army Engineering and Support Center, Huntsville  
ATTN: CEHNC-CT-S  
4820 University Square  
Huntsville, AL 35816-1822

#### Contracting Officer's Representative (COR) (TBD)

Name:

Address:

Telephone:

### G.2 SUBMISSION AND PAYMENT OF INVOICES

The Government will pay the Contractor for utility service through a Monthly Service Charge. Subject to the provisions set forth in Section B, utility services will be billed according to the Sub-CLIN items in schedule B-1, B-2, B-3, or B-4 on a monthly basis.

The Contractor shall prepare and send one original invoice and four copies to the Installation for payment by the 25<sup>th</sup> of each month for the previous month's billing period. Invoices shall be sent to the recipient and address identified in the utility-specific attachments (Section J).

### G.3 SERVICE CHARGE ADJUSTMENT

#### G.3.1 Schedule B-1

At the request of either party to this contract, and with reasonable cause, the Fixed Monthly charge (Sub-CLIN AB) may be re-negotiated in accordance with FAR 52.216-5 *Price Redetermination—Prospective*. Only the operations and maintenance and renewals and replacements portion of the contract price are eligible for redetermination through this clause. However, neither party shall request a change to these service charges to become effective sooner than 3 years from the date of award.

If new capital upgrades are required as a result of changed service requirements, the monthly service charge may be re-negotiated, at any time, in accordance with Paragraph H.8, *Accounting for Capital Upgrades/Purchase Price*. Any changes to charges, terms, or conditions as a result of negotiations shall be made part of this contract by the issuance of a bilateral contract

modification. The failure of the parties to agree upon any change after a reasonable period of time shall be considered as a dispute under the Disputes clause of this contract.

### **G.3.2 Schedule B-2**

Changes to regulated tariff rates will be made in accordance with Clause FAR 52.241-7, *Changes in rates or terms and conditions of service for regulated services*.

## **DFARS 252.201-7000: CONTRACTING OFFICER'S REPRESENTATIVE (DEC 1991)**

*Contracting Officer's Representative* means an individual designated in accordance with subsection 201.602-2 of the Department of Defense Federal Acquisition Regulation Supplement and authorized in writing by the Contracting Officer to perform specific technical or administrative functions.

If the Contracting Officer designates a Contracting Officer's Representative (COR), the Contractor will receive a copy of the written designation. It will specify the extent of the COR's authority to act on behalf of the Contracting Officer. The COR is not authorized to make any commitments or changes that will affect price, quality, quantity, delivery, or any other term or condition of the contract.

SECTION H

## Special Contract Requirements

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### H.1 ARMED FORCES MOBILIZATION AND OTHER CONTINGENCIES

In the event of mobilization or other contingencies the Contractor will be expected to promptly take whatever measures are needed to meet any new demands placed upon it, to include extended work hours and expansion of the contract work force.

Extra work effort under these circumstances may entitle the Contractor to equitable adjustment under the Changes Clause FAR 52.243-1 Alt 1, *Changes - Fixed Price*.

### H.2 INSURANCE REQUIREMENTS

**Note:** It is recommended that the Contractor furnish a copy of the following requirements to its insurance company, in order to assure that an insurance certificate is issued meeting the minimum requirements shown.

#### H.2.1 Insurance Certificate

Contractor shall deliver or cause to be delivered upon execution of this contract (and thereafter not less than fifteen (15) days prior to the expiration date of each policy furnished pursuant to this contract) to Government a certificate of insurance evidencing the insurance required by this contract.

#### H.2.2 Types of Insurance

During the entire contract period that this contract is in affect, the Contractor shall carry and maintain the following minimum insurance requirements. Any and all other contractors performing work on the Premises must also carry and maintain or otherwise receive coverage of a type meeting the following minimum insurance requirements for those periods of time that they are performing work.

##### H.2.2.1 General Liability

Comprehensive general liability insurance on an “occurrence basis” against claims for “personal injury” including, without limitation, bodily injury, death, or property damage. Such insurance is to afford immediate protection at all times during the term of this contract. The insurance will include limits of liability in amounts approved by the Government, but not less than \$1 million in the event of bodily injury or death to any one or more persons in one accident and, not less than \$500,000 for property damage.

##### H.2.2.2 Automobile Liability

Comprehensive automobile liability insurance covering the operation of all automobiles used in connection with the performance of the contract in the minimum limits of \$200,000 per person, and \$500,000 per accident for bodily injury, and \$20,000 per accident for property damage.



#### **H.2.2.3 Workers' Compensation and Employer's Liability**

If and to the extent required by law, workers' compensation and employer's liability or similar insurance in form and amounts required by law but not less than the amount of \$100,000 shall be provided.

#### **H.2.3 General**

All policies of insurance which this contract requires the Contractor to carry and maintain, or cause to be carried or maintained, pursuant to this contract shall be effected under valid and enforceable policies, in such forms and amounts as may, from time to time, be required under this contract, issued by insurers of recognized responsibility. All such policies of insurance shall be for the mutual benefit of Government and Contractor.

Each such policy shall provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Contractor or Government or any other person; provide that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least sixty (60) days after receipt by Government of written notice thereof; provide that the insurer shall have no right of subrogation against Government; and be reasonably satisfactory to Government in all other respects.

Under no circumstances will Contractor be entitled to assign to any third party rights of action which the Contractor may have against the Government. The foregoing notwithstanding, any cancellation of insurance coverage based on nonpayment of the premium shall be effective upon ten (10) days' written notice to the Government. The Contractor understands and agrees that cancellation of any insurance coverage required to be carried and maintained by the Contractor under this contract will constitute a failure to comply with the terms of this contract.

### **H.3 CATASTROPHIC LOSS**

The contractor is required to have catastrophic insurance or self-insurance to cover the replacement value of the utility system. Self-insurers must demonstrate that they comply with applicable state laws regulating self-insurance and must demonstrate that they possess sufficient financial resources to replace the system in the event of a catastrophic event. If the Contractor has catastrophic insurance, the Contractor shall provide a copy of the coverage to the Contracting Officer within 30 days after award of the contract. If the coverage is changed the contractor shall provide an updated copy of coverage within 30 days of the change.

### **H.4 NOTIFICATION**

The Contractor shall provide 120 day written notice prior to any resale, transfer, or encumbrance of the system or any components thereof.

### **H.5 ACCOUNTING PROCEDURES.**

The Contractor shall separately record and classify all costs and payments associated with the system on the installation using accounting procedures that comply with the requirements of Section I, FAR 52.230-2. The Contractor's accounting methodology shall keep track of and clearly communicate, at any point in time, the value of the Contractor's unrecovered capital investment.

## **H.6 CONTRIBUTION IN AID OF CONSTRUCTION (CIAC) TAX LIABILITY**

The parties hereby recognize that transactions under the contract may be considered as CIAC. As a result, the Contractor may incur an associated income tax liability.

If the Contractor pays a CIAC tax and desires reimbursement for such payment, the contractor must prove its actual liability for the tax, show that it has asserted all reasonable defenses to payment of the tax, show that the tax has been paid, and separately request reimbursement under this contract.

Offerors should identify any anticipated CIAC tax liability in their Price Proposals.

## **H.7 INTEREST.**

Pursuant to the DoD Class Deviation signed 15 April 2002, the Contractor will be permitted to recover its interest costs associated only with capital expenditures to acquire, renovate, replace, upgrade, and/or expand utility systems. Contract award must be before April 30, 2007. Interest rates used to calculate allowable interest costs must be limited to 600 basis points above the Contract Disputes Act (CDA) interest rate (41 U.S.C. 611) in effect at the time the contractor makes the capital expenditure. The contractor shall not receive facilities capital cost of money under FAR 31.205-10. CDA interest rate(s) are determined by the Bureau of the Public Debt and are published at the following website: <http://www.publicdebt.treas.gov/opd/opdprmt2.htm>.

## **H.8 ACCOUNTING FOR CAPITAL COSTS**

Capital Cost. It is anticipated that this contract will be subject to Government Cost Accounting Standards (CAS) unless the contractor is either a small business, or a regulated entity whose proposal is a price are set by law or regulation (tariff rate). For contracts involving tariff rates, capital cost recovery and accounting will be in accordance with the tariff rate, and the accounting methodology approved by the regulatory body (Public Utility Commission/Public Service Commission or equivalent state agency). For contracts that are subject to CAS, capital recovery and accounting will be in accordance with CAS 404 – *Capitalization of Tangible Assets*, CAS 409 – *Depreciation of Tangible Capital Assets*, and FAR 31.205-11 - *Depreciation*. For contracts not otherwise subject to CAS, recovery of capital should be through amortization (principal and interest or depreciation and interest), and accounting in accordance with Generally Accepted Accounting Practices and FAR Part 31.

### **H.8.1 Initial Capital Upgrades** (reference paragraph *C.1.2.1*)

For proposals using Schedule B-1, B-3, or B-4, the price of each capital upgrade project proposed by the offeror will be recovered through monthly charges. The contractor shall submit a schedule for each project detailing the charges by month for the entire recovery period. The schedule shall define the recovery period, total number of payments, the amortization and interest amount in each payment, and the remaining principal. Monthly invoices from the contractor shall refer to each specific project schedule by payment number. The price of each initial capital upgrade proposed by the offeror in the Price Proposal will be added to the Utility Service Payment, for the number of months indicated, when the upgrade is put in useful service. The Utility Service Payment is the total monthly service charge for the electric system (Schedule B-1, B-3, or B-4).

The price for each initial capital upgrade is fixed and is not subject to renegotiation under FAR 52.216-5 *Price Redetermination—Prospective*.

For offers using Schedule B-2, the upgrades will be paid in accordance with the method proposed by the offeror and accepted by the Government.

### **H.8.2 Future Capital Upgrades** (reference paragraph C.11.2.2).

The price of each capital upgrade project proposed by the offeror will be recovered through monthly charges. The contractor shall submit a schedule for each project detailing the charges by month for the entire recovery period. The schedule shall define the recovery period, total number of payments, the amortization and interest amount in each payment, and the remaining principal. Monthly invoices from the contractor shall refer to each specific project schedule by payment number. The price of each capital upgrade proposed by the offeror in the project price proposal will be added to the Utility Service Payment, for the number of months indicated, when the upgrade is put in useful service. The Utility Service Payment is the monthly service charge for the electric system (Schedule B-1, B-3, or B-4).

The price for each capital upgrade is fixed and is not subject to renegotiation under FAR 52.216-5 *Price Redetermination—Prospective*.

For offers using Schedule B-2, the upgrades will be paid in accordance with the method proposed by the offeror and accepted by the Government.

### **H.8.3 Recoverable Portion of the Purchase Price**

The acquisition price has two components: (1) Tangible Assets (structures, components, plant, equipment, inventories, etc.); and (2) Intangible Assets/Goodwill (contracts, licenses/permits, market share, strategic location, excess capacity, new business opportunities, etc.). The recoverable portion of the Acquisition Price is that portion that represents the contractor's investment in the tangible system assets. The value of the tangible assets may be determined using the replacement cost new or original installed cost less accumulated depreciation valuation method. This value will be recovered through cost of service charges (depreciation and interest over the remaining useful life of the system or principal and interest over an amortization period). The intangible assets/goodwill are not recoverable as a cost of service.

The contractor shall submit a schedule for the purchase price amortization detailing the charges by month for the entire recovery period. The schedule shall define the recovery period, total number of payments, the amortization amount and interest amount for each payment, and the remaining principal. Monthly invoices from the contractor shall refer to the schedule by payment number.

### **H.8.4 Mobilization.**

The capital asset costs of mobilization shall be recovered through monthly cost of service charges (amortization and interest) over the useful life of the project assets. The contractor shall submit a schedule of charges by month for the amortization period. The schedule shall define the period, total number of payments, and the amortization amount and interest amount for each payment. Monthly invoices from the contractor shall refer to the schedule by payment number.

### **H.8.5 Replacement and Renewal Capital**

The price of replacement and renewal capital will be recovered through monthly charges.. The contractor's monthly charges for routine replacements and renewals shall be as proposed in the Annual Capital Upgrades and Renewals and Replacements Plan. The monthly charge shall be as follows:

For contracts involving tariff rates, the monthly charge and accounting will be in accordance with the tariff rate, and the accounting methodology approved by the regulatory body (Public Utility Commission/Public Service Commission or equivalent state agency).

For contracts that are subject to CAS, the monthly charge will be a depreciation and interest calculation for assets placed in service during the pricing period. The charge will be subject to redetermination in accordance with FAR 56.216-5 *Price Redetermination—Prospective*. The accounting methodology will be in accordance with CAS.

For contracts not otherwise subject to CAS, the monthly charge will be an amortization calculation for assets placed in service during the pricing period. The charge will be subject to redetermination in accordance with FAR 56.216-5 *Price Redetermination—Prospective*. The accounting methodology will be in accordance with in accordance with Generally Accepted Accounting Practices.

## **H.9 CONTRACTING OFFICER'S INSTRUCTIONS**

The Contractor will not accept any instructions issued by any person other than the Contracting Officer or the contracting Officer's Representative (COR).

The contractor shall not make any changes in the scope of this contract, which would affect a change in the price or any term or provision of this contract without a modification executed by the Contracting Officer. The contractor is responsible for ensuring that all contractor personnel are knowledgeable and cognizant of this contract provision. Changes to contract effort accepted and performed by contractor personnel outside the scope of this contract without specific authorization of the Contracting Officer shall be the responsibility of the contractor.

## **H.10 CONSTRUCTION IN PROGRESS AT TIME OF AWARD**

Utility system work for which contracts have been let, but are not completed by the date of award of Utility Services will be completed and conveyed to the Contractor at the fair market value of the improvements. The contractor shall update mapping and inventories to reflect system additions and deletions. The contractor shall modify his cost basis to reflect applicable changes (charges and credits to the Government) in the billing due to the system modifications.

SECTION I

# Contract Clauses

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## I.1 FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

(IN ACCORDANCE WITH FAR 52.107(b))

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text.

The full text of a clause may be accessed electronically at these addresses:

<http://farsite.hill.af.mil> (All CLAUSES) and <http://www.arnet.gov/far> (FAR Clauses ONLY [Clauses I-11 through I-750]). (End of Clause)

## I.2 FAR CLAUSES INCORPORATED BY REFERENCE

FAR Paragraph	Clause Title	Date
52.202-1	Definitions (IN ACCORDANCE WITH FAR 2.201)	Dec 2001
52.203-3	Gratuities (IN ACCORDANCE WITH FAR 3.202)	Apr 1984
52.203-5	Covenant against Contingent Fees (IN ACCORDANCE WITH FAR 3.404)	Apr 1984
52.203-6	Restrictions on Subcontractor Sales to the Government (IN ACCORDANCE WITH FAR 3.503-2)	Jul 1995
52.203-7	Anti-Kickback Procedures (IN ACCORDANCE WITH FAR 3.502-3)	Jul 1995
52.203-8	Cancellation, Recession, and Recovery of Funds for Illegal or Improper Activity (IN ACCORDANCE WITH FAR 3.104-9[a])	Jan 1997
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity (IN ACCORDANCE WITH FAR 3.104-9[b])	Jan 1997
52.203-12	Limitation on Payments to Influence Certain Federal Transactions (IN ACCORDANCE WITH FAR 3.808[b])	Jun 1997
52.204-4	Printing/Copying Double-Sided on Recycled Paper (IN ACCORDANCE WITH FAR 4.304)	Aug 2000
52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (IN ACCORDANCE WITH FAR 9.409[b])	Jul 1995

FAR Paragraph	Clause Title	Date
52.215-2	Audit and Records - - Negotiations (IN ACCORDANCE WITH FAR 15.209 [b])	Jun 1999
52.215-8	Order of Precedence – Uniform Contract Format (IN ACCORDANCE WITH FAR 15.209[h])	Oct 1997
52.215-11	Price Reduction for Defective Cost or Pricing Data—Modifications (IN ACCORDANCE WITH FAR 15.408[c])	Oct 1997
52.215-13	Subcontractor Cost or Pricing Data—Modifications (IN ACCORDANCE WITH FAR 15.408[e])	Oct 1997
52.215-21	Requirements for Cost or Pricing Data or Information other than Cost or Pricing Data--Modifications (IN ACCORDANCE WITH FAR 15.408[m])	Oct 1997
52.219-4	Notice of Price Evaluation for Hubzone Small Business Concerns (IN ACCORDANCE WITH FAR 19.1308[b])	Jan 1999
52.219-8	Utilization of Small Business Concerns (IN ACCORDANCE WITH FAR 19.708[a])	Oct 2000
52.219-9	Small Business Subcontracting Plan – Alt II (Oct 2001) (IN ACCORDANCE WITH FAR 19.708[b][1])	Jan 2002
52.219-16	Liquidated Damages—Subcontracting Plan (IN ACCORDANCE WITH FAR 19.708[b][2])	Jan 1999
52.219-25	Small Disadvantaged Business participation Program-Disadvantaged Status and Reporting (IN ACCORDANCE WITH FAR 19.1204(b))	Oct 1999
52.222-1	Notice to the Government of Labor Disputes (IN ACCORDANCE WITH FAR 22.101-1[e] and 22.103-5[a])	Feb 1997
52.222-3	Convict Labor (IN ACCORDANCE WITH FAR 22.202)	Aug 1996
52.222-4	Contract Work Hours and Safety Standards Act - - Overtime Compensation (IN ACCORDANCE WITH FAR 22.305)	Sep 2000
52.222-21	Prohibition of Segregated Facilities (IN ACCORDANCE WITH FAR 22.810[a][1])	Feb 1999
52.222-26	Equal Opportunity (IN ACCORDANCE WITH FAR 22.810[e])	Apr 2002
52.222-35	Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (IN ACCORDANCE WITH FAR 22.1310[a][1] and DFARS 22.1308[a][1])	Dec 2001
52.222-36	Affirmative Action for Workers with Disabilities (IN ACCORDANCE WITH FAR 22.1408[a])	Jun 1998
52.222-37	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (IN ACCORDANCE WITH FAR 22.1310[b])	Dec 2001
52.223-5	Pollution Prevention and Right-to-Know Information (IN ACCORDANCE WITH FAR 23.1005)	Apr 1998
52.223-6	Drug-Free Workplace (IN ACCORDANCE WITH FAR 23.505)	May 2001

FAR Paragraph	Clause Title	Date
52.223-12	Refrigeration Equipment And Air Conditioners (IN ACCORDANCE WITH FAR 23.804[b])	May 1995
52.223-14	Toxic Chemical Release Reporting (IN ACCORDANCE WITH FAR 23.907[b])	Oct 2000
52.226-1	Utilization of Indian Organizations and Indian-Owned Economic Enterprises (IN ACCORDANCE WITH FAR 26.104[a])	Jun 2000
52.227-1	Authorization and Consent (IN ACCORDANCE WITH FAR 27.201-2[a])	Jul 1995
52.227-3	Patent Indemnity (IN ACCORDANCE WITH FAR 27.203-1(b), 27.203-2(a) or 27.203-4(a)(2))	Apr 1984
52.228-5	Insurance-Work on a Government Installation (IN ACCORDANCE WITH FAR 28.310)	Jan 1997
52.229-3	Federal, State, and Local Taxes (IN ACCORDANCE WITH FAR 29.401-3)	Jan 1991
52.229-5	Taxes - - Contracts Performed in U.S. - - Possessions or Puerto Rico (IN ACCORDANCE WITH FAR 29.401-5)	Apr 1984
52.232-1	Payments (IN ACCORDANCE WITH FAR 32.111[a][1])	Apr 1984
52.232-8	Discounts for Prompt Payment (IN ACCORDANCE WITH FAR 32.111[c][1])	Feb 2002
52.232-11	Extras (IN ACCORDANCE WITH FAR 32.111[d][2])	Apr 1984
52.232-17	Interest (IN ACCORDANCE WITH FAR 32.617[a] and 32.617[b])	Jun 1996
52.232-18	Availability of Funds (IN ACCORDANCE WITH FAR 32.705-1[a])	Apr 1984
52.232-23	Assignment of Claims – Alt I (Apr 1984) (IN ACCORDANCE WITH FAR 32.806[a][1])	Jan 1986
52.232-25	Prompt Payment (IN ACCORDANCE WITH FAR 32.908[c])	Feb 2002
52.232-33	Payment by Electronic Funds Transfer --Central Contractor Registration (IN ACCORDANCE WITH FAR 32.1110[A][1])	May 1999
52.233-1	Disputes – Alt I (Dec 1991) (IN ACCORDANCE WITH FAR 33.215)	Jul 2002
52.233-3	Protest after Award (IN ACCORDANCE WITH FAR 33.106[b])	Aug 1996
52.237-2	Protection of Government Buildings, Equipment, and Vegetation (IN ACCORDANCE WITH FAR 37.110[b])	Apr 1984

FAR Paragraph	Clause Title	Date
52.237-3	Continuity of Services (IN ACCORDANCE WITH FAR 37.110[c])	Jan 1991
52.242-1	Notice of Intent to Disallow Costs (IN ACCORDANCE WITH FAR 42.802)	Apr 1984
52.242-13	Bankruptcy (IN ACCORDANCE WITH FAR 42.903)	Jul 1995
52.243-1	Changes – Fixed-Price – Alt I (Apr 1984) (IN ACCORDANCE WITH FAR 43.205[a][1] & [2])	Aug 1987
52.248-1	Value Engineering	Feb 2000
<b>52.249-1</b>	<b>Termination for Convenience of the Government</b>	<b>Sep 1996</b>
52.249-8	Default (Fixed Price Supply and Service) (IN ACCORDANCE WITH FAR 49.504[a][1])	Apr 1984
52.252-6	Authorized Deviations in Clauses (IN ACCORDANCE WITH FAR 52.107[f])	Apr 1984

### I.3 DFARS CLAUSES INCORPORATED BY REFERENCE

The use in this solicitation or contract of any Defense Federal Acquisition Regulation Supplement (48 CFR Chapter 2) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

The following DFAR clauses are incorporated by reference:

DFARS Paragraph	Clause Title	Date
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (IN ACCORDANCE WITH DFARS 203.570-5)	Mar 1999
252.203-7002	Display of DoD Hotline Poster (IN ACCORDANCE WITH DFARS 203.7002)	Dec 1991
252.204-7000	Disclosure of Information (IN ACCORDANCE WITH DFARS 204.404-70[a])	Dec 1991
252.204-7003	Control of Government Personnel Work Product (IN ACCORDANCE WITH DFARS 204.404-70[b])	Apr 1992
252.204-7004	Required Central Contractor Registration (IN ACCORDANCE WITH DFARS 252.204-7304)	Mar 2000
252.205-7000	Provision of Information to Cooperative Agreement Holders (IN ACCORDANCE WITH DFARS 205.470-2)	Dec 1991
252.209-7000	Acquisition from Subcontractors Subject to Onsite Inspection under the Intermediate-Range Nuclear Forces (INF) Treaty (IN ACCORDANCE WITH DFARS 209.103-70)	Nov 1995



DFARS Paragraph	Clause Title	Date
252.209-7001	Disclosure of Ownership or Control by the Government of a Terrorist Country (IN ACCORDANCE WITH DFARS 209.104-70[a])	Mar 1998
252.209-7003	Compliance with Veterans' Employment Reporting Requirements (IN ACCORDANCE WITH DFARS 209.104-70[c])	Mar 1998
252.209-7004	Subcontracting with Firms that Are Owned or Controlled by the Government of a Terrorist Country (IN ACCORDANCE WITH DFARS 209.409)	Mar 1998
252.215-7000	Pricing Adjustments (IN ACCORDANCE WITH DFARS 215.408[1])	Dec 1991
252.219-7003	Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (DoD Contracts) (IN ACCORDANCE WITH DFARS 219.708[B][1][a])	Apr 1996
252.223-7004	Drug-Free Work Force (IN ACCORDANCE WITH DFARS 223.570-4[a])	Sep 1988
252.223-7006	Prohibition on Storage and Disposal of Toxic and Hazardous Materials (IN ACCORDANCE WITH DFARS 223.7103[a])	Apr 1993
252.225-7031	Secondary Arab Boycott of Israel (IN ACCORDANCE WITH DFARS 225.770-5)	Jun 1992
252.231-7000	Supplemental Cost Principals (IN ACCORDANCE WITH DFARS 231.100-70)	Dec 1991
252.235-7003	Frequency Authorization (IN ACCORDANCE WITH DFARS 235.071[b])	Dec 1991
252.236-7005	Airfield Safety Precautions (IN ACCORDANCE WITH DFARS 236.570[b][3])	Dec 1991
252.241-7001	Government Access (IN ACCORDANCE WITH DFARS 241.501-70[b])	Dec 1991
252.242-7000	Post-award Conference (IN ACCORDANCE WITH DFARS 242.570)	Dec 1991
252.243-7001	Pricing of Contract Modifications (IN ACCORDANCE WITH DFARS 243.205-71)	Dec 1991
252.243-7002	Requests for Equitable Adjustment (IN ACCORDANCE WITH DFARS 243.205-72)	Mar 1998
252.247-7023	Transportation of Supplies by Sea (IN ACCORDANCE WITH DFARS 247.573[b])	Mar 2000

## **I.4 THE FOLLOWING CLAUSES ARE NOT APPLICABLE TO ENTITIES SUBMITTING PRICES SET BY LAW OR REGULATION (INCORPORATED BY REFERENCE)**

<b>Paragraph</b>	<b>Clause Title</b>	<b>Date</b>
52.222-41	Service Contract Act of 1965, as amended (IN ACCORDANCE WITH 22.1006[a])	May 1989
52.222-44	Fair Labor Standards Act and Service Contract Act – Price Adjustment (Multiple Year and Option Contracts)  (IN ACCORDANCE WITH 22.1006[c][2])	May 1989
52.230-2	Cost Accounting Standards (IN ACCORDANCE WITH FAR 30.201-4[a])	Apr 1998
52.230-6	Administration of Cost Accounting Standards (IN ACCORDANCE WITH FAR 30.201-4[d])	Nov 1999

## **I.5 THE FOLLOWING CLAUSES APPLY TO ENTITIES SUBMITTING PRICES SET BY LAW OR REGULATION**

### **52.241-4 Change in Class of Service (Feb 1995)**

(a) In the event of a change in the class of service, such service shall be provided at the Contractor's lowest available rate schedule applicable to the class of service furnished.

(b) Where the Contractor does not have on file with the regulatory body approved rate schedules applicable to services provided, no clause in this contract shall preclude the parties from negotiating a rate schedule applicable to the class of service furnished.

(End of Clause)

### **52.241-7 Change in Rates or Terms and Conditions of Service for Regulated Services. (Feb 1995)**

(a) This clause applies to the extent services furnished under this contract are subject to regulation by a regulatory body. The Contractor agrees to give \* **TBD** written notice of (1) the filing of an application for change in rates or terms and conditions of service concurrently with the filing of the application and (2) any changes pending with the regulatory body as of the date of contract award. Such notice shall fully describe the proposed change. If, during the term of this contract, the regulatory body having jurisdiction approves any changes, the Contractor shall forward to the Contracting Officer a copy of such changes within 15 days after the effective date thereof. The Contractor agrees to continue furnishing service under this contract in accordance with the amended tariff, and the Government agrees to pay for such service at the higher or lower rates as of the date when such rates are made effective.

(b) The Contractor agrees that throughout the life of this contract the applicable published and unpublished rate schedule(s) shall not be in excess of the lowest cost published and unpublished rate schedule(s) available to any other customers of the same class under similar conditions of use and service.

(c) In the event that the regulatory body promulgates any regulation concerning matters other than rates which affects this contract, the Contractor shall immediately provide a copy to the Contracting Officer. The Government shall not be bound to accept any new regulation inconsistent with Federal laws or regulations.

(d) Any changes to rates or terms and conditions of service shall be made a part of this contract by the issuance of a contract modification unless otherwise specified in the contract. The effective date of the change shall be the effective date by the regulatory body. Any factors not governed by the regulatory body will have an effective date as agreed to by the parties.

(End of clause)

#### 52.241-12 Nonrefundable, Nonrecurring Service Charge. (Feb 1995)

As provided herein, the Government will pay a nonrefundable, nonrecurring charge when the rules and regulations of a Contractor require that a customer pay (1) a charge for the initiation of service, (2) a contribution in aid of construction, or (3) a nonrefundable membership fee. This charge may be in addition to or in lieu of a connection charge. Therefore, there is hereby added to the Contractor's schedule a nonrefundable, nonrecurring charge for **TBD** in the amount of **TBD** **\$TBD** dollars payable [specify dates or schedules].

(End of clause)

## I.6 OTHER CLAUSES

#### 52.216-5 PRICE REDETERMINATION- PROSPECTIVE (OCT 1997)

(a) General. The unit prices and the total price stated in this contract shall be periodically redetermined in accordance with this clause, except that (1) the prices for supplies delivered and services performed before the first effective date of price redetermination (see paragraph (c) of this clause) shall remain fixed and (2) in no event shall the total amount paid under this contract exceed any ceiling price included in the contract.

(b) Definition. "Costs," as used in this clause, means allowable costs in accordance with Part 31 of the Federal Acquisition Regulation (FAR) in effect on the date of this contract.

(c) Price redetermination periods. For the purpose of price redetermination, performance of this contract is divided into successive periods. The first period shall extend from the date of the contract to **three (3) years** and the second and each succeeding period shall extend for twenty-four (24) months from the end of the last preceding period, except that the parties may agree to vary the length of the final period. The first day of the second and each succeeding period shall be the effective date of price redetermination for that period.

(d) Data submission. (1) Not more than 180 calendar days nor less than **ninety (90)** calendar days before the end of each redetermination period, except the last, the Contractor shall submit--

(i) Proposed prices for supplies that may be delivered or services that may be performed in the next succeeding period, and--

(A) An estimate and breakdown of the costs of these supplies or services in the format of Table 15-2, FAR 15.408, or in any other form on which the parties may agree;

(B) Sufficient data to support the accuracy and reliability of this estimate; and

(C) An explanation of the differences between this estimate and the original (or last preceding) estimate for the same supplies or services; and

(ii) A statement of all costs incurred in performing this contract through the end of the first month before the submission of proposed prices, on Standard Form 1411, Contract Pricing Proposal Cover Sheet (or in any other form on which the parties may agree), with sufficient supporting data to disclose unit costs and cost trends for--

(A) Supplies delivered and services performed; and

(B) Inventories of work in process and undelivered contract supplies on hand (estimated to the extent necessary).

(2) The Contractor shall also submit, to the extent that it becomes available before negotiations on redetermined prices are concluded--

(i) Supplemental statements of costs incurred after the date stated in subdivision (d)(1)(ii) of this section for--

(A) Supplies delivered and services performed; and

(B) Inventories of work in process and undelivered contract supplies on hand (estimated to the extent necessary); and

(ii) Any other relevant data that the Contracting Officer may reasonably require.

(3) If the Contractor fails to submit the data required by subparagraphs (1) and (2) of this section, within the time specified, the Contracting Officer may suspend payments under this contract until the data are furnished. If it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the data submittal period, the amount of the excess shall bear interest, computed from the date the data were due to the date of repayment, at the rate established in accordance with the Interest clause.

(e) Price redetermination. Upon the Contracting Officer's receipt of the data required by paragraph (d) of this section, the Contracting Officer and the Contractor shall promptly negotiate to redetermine fair and reasonable prices for supplies that may be delivered or services that may be performed in the period following the effective date of price redetermination.

(f) Contract modifications. Each negotiated redetermination of prices shall be evidenced by a modification to this contract, signed by the Contractor and the Contracting Officer, stating the redetermined prices that apply during the redetermination period.

(g) Adjusting billing prices. Pending execution of the contract modification (see paragraph (f) of this section), the Contractor shall submit invoices or vouchers in accordance with the billing prices stated in this contract. If at any time it appears that the then-current billing prices will be substantially greater than the estimated final prices, or if the Contractor submits data showing that the redetermined price will be substantially greater than the current billing prices, the parties shall negotiate an appropriate decrease or increase in billing prices. Any billing price adjustment shall be reflected in a contract modification and shall not affect the redetermination of prices under this clause. After the contract modification for price redetermination is executed, the total amount paid or to be paid on all invoices or vouchers shall be adjusted to reflect the agreed-upon prices, and any requested additional payments, refunds, or credits shall be made promptly.

(h) Quarterly limitation on payments statement. This paragraph (h) applies only during periods for which firm prices have not been established.

(1) Within 45 days after the end of the quarter of the Contractor's fiscal year in which a delivery is first made (or services are first performed) and accepted by the Government under this contract, and for each

quarter thereafter, the Contractor shall submit to the contract administration office (with a copy to the contracting office and the cognizant contract auditor) a statement, cumulative from the beginning of the contract, showing--

- (i) The total contract price of all supplies delivered (or services performed) and accepted by the Government and for which final prices have been established;
- (ii) The total costs (estimated to the extent necessary) reasonably incurred for, and properly allocable solely to, the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established;
- (iii) The portion of the total interim profit (used in establishing the initial contract price or agreed to for the purpose of this paragraph (h)) that is in direct proportion to the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established; and
- (iv) The total amount of all invoices or vouchers for supplies delivered (or services performed) and accepted by the Government (including amounts applied or to be applied to liquidate progress payments).

(2) The statement required by subparagraph (1) of this section need not be submitted for any quarter for which either no costs are to be reported under subdivision (1)(ii) of this section, or revised billing prices have been established in accordance with paragraph (g) of this section, and do not exceed the existing contract price, the Contractor's price-redetermination proposal, or a price based on the most recent quarterly statement, whichever is least.

(3) Notwithstanding any provision of this contract authorizing greater payments, if on any quarterly statement the amount under subdivision (1)(iv) of this section exceeds the sum due the Contractor, as computed in accordance with subdivisions (1)(i), (ii), and (iii) of this section, the Contractor shall immediately refund or credit to the Government the amount of this excess. The Contractor may, when appropriate, reduce this refund or credit by the amount of any applicable tax credits due the Contractor under 26 U.S.C. 1481 and by the amount of previous refunds or credits affected under this clause. If any portion of the excess has been applied to the liquidation of progress payments, then that portion may, instead of being refunded, be added to the unliquidated progress payment account, consistent with the Progress Payments clause. The Contractor shall provide complete details to support any claimed reductions in refunds.

(4) If the Contractor fails to submit the quarterly statement within 45 days after the end of each quarter and it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the statement submittal period, the amount of the excess shall bear interest, computed from the date the quarterly statement was due to the date of repayment, at the rate established in accordance with the Interest clause.

(i) Subcontracts. No subcontract placed under this contract may provide for payment on a cost-plus-a-percentage-of-cost basis. The Contractor shall--

(1) Insert in each price redetermination or incentive price revision subcontract the substance of paragraph (h) of this section, and of this paragraph (i), modified to omit mention of the Government and to reflect the position of the Contractor as purchaser and of the subcontractor as vendor, and to omit that part of subparagraph (h)(3) of this section relating to tax credits; and

(2) Include in each cost-reimbursement subcontract a requirement that each lower-tier price redetermination or incentive price revision subcontract contain the substance of paragraph (h) of this section, and this paragraph (i), modified as required by subparagraph (1) of this section.

(j) Disagreements. If the Contractor and the Contracting Officer fail to agree upon redetermined prices for any price redetermination period within **90 days** (or within such other period as the parties agree) after the date on which the data required by paragraph (d) of this section are to be submitted, the Contracting

Officer shall promptly issue a decision in accordance with the Disputes clause. For the purpose of paragraphs (f), (g), and (h) of this section, and pending final settlement of the disagreement on appeal, by failure to appeal, or by agreement, this decision shall be treated as an executed contract modification. Pending final settlement, price redetermination for subsequent periods, if any, shall continue to be negotiated as provided in this clause.

(k) Termination. If this contract is terminated, prices shall continue to be established in accordance with this clause for (1) completed supplies and services accepted by the Government and (2) those supplies and services not terminated under a partial termination. All other elements of the termination shall be resolved in accordance with other applicable clauses of this contract.

(End of clause)

**52.216-18 ORDERING. (OCT 1995)**

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued **from the date of task order award for distribution services through fifty (50) years.**

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

(End of clause)

**52.216-19 ORDER LIMITATIONS. (OCT 1995)**

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than \$2,500.00, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor:

(1) Any order for a single item in excess of \$25,000,000.00 (\$25 million);

(2) Any order for a combination of items in excess of \$25,000,000.00 (\$25 million); or

(3) A series of orders from the same ordering office within thirty (30) days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within five (5) days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

(End of clause)

**52.216-21 REQUIREMENTS (OCT 1995)**

(a) This is a requirements contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies or services specified in the Schedule are estimates only and are not purchased by this contract. Except as this contract may otherwise provide, if the Government's requirements do not result in orders in the quantities described as "estimated" or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. Subject to any limitations in the Order Limitations clause or elsewhere in this contract, the Contractor shall furnish to the Government all supplies or services specified in the Schedule and called for by orders issued in accordance with the Ordering clause. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(c) Except as this contract otherwise provides, the Government shall order from the Contractor all the supplies or services specified in the Schedule that are required to be purchased by the Government activity or activities specified in the Schedule.

(d) The Government is not required to purchase from the Contractor requirements in excess of any limit on total orders under this contract.

(e) If the Government urgently requires delivery of any quantity of an item before the earliest date that delivery may be specified under this contract, and if the Contractor will not accept an order providing for the accelerated delivery, the Government may acquire the urgently required goods or services from another source.

(f) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after fifty (50) years from the date of task order award for distribution services.

(End of clause)

**FAR 52.222-42: Statement of Equivalent Rates for Federal Hires (May 1989)**

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service for employees expected to be employed under the contract. This clause also states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 USC 5341 or 5332.

This statement is for information only; it is not a wage determination.

<b>EMPLOYEE CLASS</b>	<b>MONETARY WAGE - FRINGE BENEFITS</b>
A/C Equipment Mechanic	\$16.06
Electrician	\$17.95
Electrician Technician, Maintenance II	\$20.31
General Maintenance Worker	\$13.60

**52.232-19 AVAILABILITY OF FUNDS FOR THE NEXT FISCAL YEAR (APR 1984)**

Funds are not presently available for performance under this contract beyond current fiscal year. The Government's obligation for performance of this contract beyond that date is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond current fiscal year, until funds are made available to the Contracting Officer for performance and until the Contractor receives notice of availability, to be confirmed in writing by the Contracting Officer.

**52.241-9 CONNECTION CHARGE (FEB 1995)**

(a) *Charge.* In consideration of the Contractor furnishing and installing at its expense the new connection facilities described herein, the Government shall pay the Contractor a connection charge. The payment shall be in the form of progress payments, advance payments or as a lump sum, as agreed to by the parties and as permitted by applicable law. The total amount payable shall be either the estimated cost of \$(To be determined at time of award) less the agreed to salvage value of \$(To be determined at time of award), or the actual cost less the salvage value, whichever is less. As a condition precedent to final payment, the Contractor shall execute a release of any claims against the Government arising under or by the virtue of such installation.

(b) *Ownership, operation, maintenance and repair of new facilities to be provided.* The facilities to be supplied by the Contractor under this clause, notwithstanding the payment by the Government of a connection charge, shall be and remain the property of the Contractor and shall, at all times during the life of this contract or any renewals thereof, be operated, maintained, and repaired by the Contractor at its expense. All taxes and other charges in connection therewith, together with all liability arising out of the construction, operations, maintenance, or repair of such facilities, shall be the obligation of the Contractor.

(c) *Credits.*

(1) The Contractor agrees to allow the Government, on each monthly bill for service furnished under this contract to the service location, a credit of \$(To be determined at time of award) percent of the amount of each such bill as rendered until the accumulation of credits shall equal the amount of such connection charge, provided that the Contractor may at any time allow a credit up to 100 percent of the amount of each such bill.

(2) In the event the Contractor, before any termination of this contract but after completion of the facilities provided for in this clause, serves any customer other than the Government (regardless of whether the Government is being served simultaneously, intermittently, or not at all) by means of these facilities, the Contractor shall promptly notify the Government in writing. Unless otherwise agreed by the parties in writing at that time, the Contractor shall promptly accelerate the credits provided for under subparagraph (c)(1) of this clause, up to 100 percent of each monthly bill until there is refunded the amount that reflects the Government's connection costs for that portion of the facilities used in serving others.

(3) In the event the Contractor terminates this contract, or defaults in performance, prior to full credit of any connection charge paid by the Government, the Contractor shall pay to the Government an amount equal to the uncredited balance of the connection charge as of the date of the termination or default.



(d) *Termination before completion of facilities.* The Government reserves the right to terminate this contract at any time before completion of the facilities with respect to which the Government is to pay a connection charge. In the event the Government exercises this right, the Contractor shall be paid the cost of any work accomplished, including direct and indirect costs reasonably allocable to the completed work prior to the time of termination by the Government, plus the cost of removal, less the salvage value.

(e) *Termination after completion of facilities.* In the event the Government terminates this contract after completion of the facilities with respect to which the Government has paid a connection charge, but before the crediting in full by the Contractor of any connection charge in accordance with the terms of this contract, the Contractor shall have the following options:

(1) To retain in place for \_(To be determined at time of award)\_ months after the notice of termination by the Government such facilities on condition that --

(i) If, during such \_(To be determined at time of award)\_ month period, the Contractor serves any other customer by means of such facilities, the Contractor, shall, in lieu of allowing credits, pay the Government during such period installments in like amount, manner, and extent as the credit provided for under paragraph (c) of this clause before such termination; and

(ii) Immediately after such \_(To be determined at time of award)\_ month period the Contractor shall promptly pay in full to the Government the uncredited balance of the connection charge.

(2) To remove such facilities at the Contractor's own expense within \_(To be determined at time of award)\_ months after the effective date of the termination by the Government. If the Contractor elects to remove such facilities, the Government shall then have the option of purchasing such facilities at the agreed salvage value set forth herein; and provided further, that the Contractor shall, at the direction of the Government, leave in place such facilities located on Government property which the Government elects to purchase at the agreed salvage value.

(End of Clause)

#### 52.241-13 Capital Credits (Feb 1995)

(a) The Government is a member of the \_(To be determined at time of award)\_, and as any other member, is entitled to capital credits consistent with the bylaws of the cooperative, which states the obligation of the Contractor to pay capital credits and which specifies the method and time of payment.

(b) The Contractor shall furnish to the Contracting Officer, or the designated representative of the Contracting Officer, in writing, on an \_(To be determined at time of award)\_ basis a list of accrued credits by contract number, year, and delivery point.

(c) Payment of capital credits will be made by check, payable to the \_(To be determined at time of award), and forwarded to **TBD**, unless otherwise directed in writing by the Contracting Officer. Checks shall cite the current or last contract number and indicate whether the check is partial or final payment for all capital credits accrued.

(End of Clause)

## **FAR 52.244-6: Subcontracts for Commercial Items (May 2001)**

*Commercial item*, as used in this clause, has the meaning contained in the clause at 52.202-1. *Subcontract*, as used in this clause, includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.

The following clauses shall be flowed down to subcontracts for commercial items:

- 52.219-8, Utilization of Small Business Concerns (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.
- 52.222-26: Equal Opportunity (EO 11246)
- 52.222-35: Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 USC 4212[a])
- 52.222-36: Affirmative Action for Workers with Disabilities (29 USC 793)
- 52.247-64: Preference for Privately Owned U.S.-Flagged Commercial Vessels (46 USC 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

The Contractor shall include the terms of this clause, including this paragraph, in subcontracts awarded under this contract.

SECTION J

## List of Attachments

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Attachment Number	Document Title	Location
Attachment 1	Example of a Completed Schedule B-1	Web
Attachment 2	System Description	Web
Attachment 3	Points of Demarcation	Web
Attachment 4	Rate Based Pricing Method and Estimated Cost Based Pricing Method	Excelfile/Web
Attachment 5	Service Interruptions and Contingencies Response	CD
Attachment 6	Utility Maps (CD will be provided upon written request)	CD
Attachment 7	Hardcopy Maps (available at on site library)	West Point
Attachment 8	Inventory of Systems (CD will be provided upon written request)	CD
Attachment 9	Meters	Web
Attachment 10	Sample Easement	Web
Attachment 11	Client Authorization Letter	Web
Attachment 12	Installation Action Plan and Assessment information	Web
Attachment 13	Past System Replacement Contracts (available from the site POC on request)	West Point
Attachment 14	O&M Manual for Electrical System (available for review from the site POC on request)	West Point
Attachment 15	Draft Environmental Baseline Study and Draft Environmental Assessment (available from the site POC upon request)	West Point
Attachment 16	Substation Upgrade Report	West Point
Attachment 17	Dig Safe Policy Revised May 02	Web
Attachment 18	Service Contract Wage Rates	Web
Attachment 19	Electrical Structures To Be Conveyed (Historical Status/Construction Date)	Web
Attachment 20	Safety Program - United States Military Academy	Web
Attachment 21	Past Performance Questionnaire	Web

NOTE: Web site address is as follows:

<http://www.hnd.usace.army.mil/EBS/AdvertisedSolicitations.asp>

SECTION L

# Instructions, Conditions, and Notices to Offerors

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## L.1 SOLICITATION PROVISIONS

### L.1.1 52.252-1: SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (IN ACCORDANCE WITH FAR 52.107[A])

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The Offeror is cautioned that the listed provisions may include blocks that must be completed by the Offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the Offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer.

As of this printing, the full text of a solicitation provision may be accessed electronically at these addresses: <http://farsite.hill.af.mil> (all provisions) and <http://www.arnet.gov/far>.

The following FAR and DFARS clauses are incorporated by reference:

Paragraph	Clause Title	Date
52.215-20	Requirement for Cost or Pricing Data or Information other than Cost or Pricing Data – Alt IV (IN ACCORDANCE WITH FAR 15.408[I] & [I][4])	Oct 1997 Oct 1997
52.237-1	Site Visit (IN ACCORDANCE WITH FAR 37.110 [a])	Apr 1984
52.252-5	Authorized Deviations in Provisions (IN ACCORDANCE WITH FAR 52.107[e]) (a) The use in this solicitation of any Defense Federal Acquisition Regulation (DFAR) Supplement (48 CFR Chapter 2) provision with an authorized deviation is indicated by the addition of (DEVIATION) after the name of the regulation.	Apr 1984

#### 52.204-6 Data Universal Numbering System (DUNS) Number. (June 1999)

(a) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" followed by the DUNS number that identifies the offeror's name and address exactly as stated in the offer. The DUNS number is a nine-digit number assigned by Dun and Bradstreet Information Services.

(b) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one. A DUNS number will be provided immediately by telephone at no charge to the offeror. For information on obtaining a DUNS number, the offeror, if located within the

United States, should call Dun and Bradstreet at 1-800-333-0505. The offeror should be prepared to provide the following information:

- (1) Company name.
- (2) Company address.
- (3) Company telephone number.
- (4) Line of business.
- (5) Chief executive officer/key manager.
- (6) Date the company was started.
- (7) Number of people employed by the company.
- (8) Company affiliation.

(c) Offerors located outside the United States may obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet home page at <http://www.customerservice@dnb.com>. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at [globalinfo@mail.dnb.com](mailto:globalinfo@mail.dnb.com).

(End of provision)

#### 52.215-1 Instructions to Offerors-Competitive Acquisition (May 2001)

(a) *Definitions.* As used in this provision-

"Discussions" are negotiations that occur after establishment of the competitive range that may, at the Contracting Officer's discretion, result in the offeror being allowed to revise its proposal. "In writing," "writing," or "written" means any worded or numbered expression that can be read, reproduced, and later communicated, and includes electronically transmitted and stored information. "Proposal modification" is a change made to a proposal before the solicitation's closing date and time, or made in response to an amendment, or made to correct a mistake at any time before award. "Proposal revision" is a change to a proposal made after the solicitation closing date, at the request of or as allowed by a Contracting Officer as the result of negotiations. "Time," if stated as a number of days, is calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

(b) *Amendments to solicitations.* If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).

(c) *Submission, modification, revision, and withdrawal of proposals.*

(1) Unless other methods (*e.g.*, electronic commerce or facsimile) are permitted in the solicitation, proposals and modifications to proposals shall be submitted in paper media in sealed envelopes or packages (i) addressed to the office specified in the solicitation, and (ii) showing the time and date specified for receipt, the solicitation number, and the name and address of the offeror. Offerors using commercial carriers should ensure that the proposal is marked on the outermost wrapper with the

information in paragraphs (c)(1)(i) and (c)(1)(ii) of this provision. (2) The first page of the proposal must show-

- (i) The solicitation number; (ii) The name, address, and telephone and facsimile numbers of the offeror (and electronic address if available); (iii) A statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation and agreement to furnish any or all items upon which prices are offered at the price set opposite each item;
- (iv) Names, titles, and telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate on the offeror's behalf with the Government in connection with this solicitation; and
- (v) Name, title, and signature of person authorized to sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

(3) *Submission, modification, revision, and withdrawal of proposals.*

(i) Offerors are responsible for submitting proposals, and any modifications or revisions, so as to reach the Government office designated in the solicitation by the time specified in the solicitation. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated Government office on the date that proposal or revision is due.

(ii)(A) Any proposal, modification, or revision received at the Government office designated in the solicitation after the exact time specified for receipt of offers is "late" and will not be considered unless it is received before award is made, the Contracting Officer determines that accepting the late offer would not unduly delay the acquisition; and-

(1) If it was transmitted through an electronic commerce method authorized by the solicitation, it was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals; or

(2) There is acceptable evidence to establish that it was received at the Government installation designated for receipt of offers and was under the Government's control prior to the time set for receipt of offers; or

(3) It is the only proposal received.

(B) However, a late modification of an otherwise successful proposal that makes its terms more favorable to the Government, will be considered at any time it is received and may be accepted.

(iii) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.

(iv) If an emergency or unanticipated event interrupts normal Government processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume.

(v) Proposals may be withdrawn by written notice received at any time before award. Oral proposals in response to oral solicitations may be withdrawn orally. If the solicitation authorizes facsimile proposals, proposals may be withdrawn via facsimile received at any time before award, subject to the conditions specified in the provision at 52.2155, Facsimile Proposals. Proposals may be withdrawn in person by an offeror

or an authorized representative, if the identity of the person requesting withdrawal is established and the person signs a receipt for the proposal before award.

(4) Unless otherwise specified in the solicitation, the offeror may propose to provide any item or combination of items.

(5) Offerors shall submit proposals in response to this solicitation in English, unless otherwise permitted by the solicitation, and in U.S. dollars, unless the provision at FAR 52.225-17, Evaluation of Foreign Currency Offers, is included in the solicitation.

(6) Offerors may submit modifications to their proposals at any time before the solicitation closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.

(7) Offerors may submit revised proposals only if requested or allowed by the Contracting Officer.

(8) Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Contracting Officer.

(d) *Offer expiration date.* Proposals in response to this solicitation will be valid for the number of days specified on the solicitation cover sheet (unless a different period is proposed by the offeror).

(e) *Restriction on disclosure and use of data.* Offerors that include in their proposals data that they do not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, shall-

(1) Mark the title page with the following legend:

This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed-in whole or in part-for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of-or in connection with-the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [insert numbers or other identification of sheets]; and

(2) Mark each sheet of data it wishes to restrict with the following legend:

Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

(f) *Contract award.*

(1) The Government intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation.

(2) The Government may reject any or all proposals if such action is in the Government's interest.

(3) The Government may waive informalities and minor irregularities in proposals received.

(4) The Government intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)).

Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the

competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.

(5) The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the offeror specifies otherwise in the proposal.

(6) The Government reserves the right to make multiple awards if, after considering the additional administrative costs, it is in the Government's best interest to do so.

(7) Exchanges with offerors after receipt of a proposal do not constitute a rejection or counteroffer by the Government.

(8) The Government may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more contract line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Contracting Officer determines that the lack of balance poses an unacceptable risk to the Government.

(9) If a cost realism analysis is performed, cost realism may be considered by the source selection authority in evaluating performance or schedule risk.

(10) A written award or acceptance of proposal mailed or otherwise furnished to the successful offeror within the time specified in the proposal shall result in a binding contract without further action by either party.

(11) The Government may disclose the following information in postaward debriefings to other offerors:

- (i) The overall evaluated cost or price and technical rating of the successful offeror;
- (ii) The overall ranking of all offerors, when any ranking was developed by the agency during source selection;
- (iii) A summary of the rationale for award; and
- (iv) For acquisitions of commercial items, the make and model of the item to be delivered by the successful offeror.

(End of provision)

*Alternate I (Oct 1997).*

(f)(4) The Government intends to evaluate proposals and award a contract after conducting discussions with offerors whose proposals have been determined to be within the competitive range. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals. Therefore, the offeror's initial proposal should contain the offeror's best terms from a price and technical standpoint.

*Alternate II (Oct 1997).*

(c)(9) Offerors may submit proposals that depart from stated requirements. Such proposals shall clearly identify why the acceptance of the proposal would be advantageous to the Government. Any deviations from the terms and conditions of the solicitation, as well as the comparative advantage to the Government, shall be clearly identified and explicitly defined. The Government reserves the right to amend the solicitation to allow all offerors an opportunity to submit revised proposals based on the revised requirements.



**52.216-1 Type of Contract. (Apr 1984)**

The Government contemplates award of a Fixed Price – Price Redetermination Prospective Requirements utility services contract resulting from this solicitation.

(End of provision)

**52.222-24 Preaward On-Site Equal Opportunity Compliance Evaluation. (Feb 1999)**

If a contract in the amount of \$10 million or more will result from this solicitation, the prospective Contractor and its known first-tier subcontractors with anticipated subcontracts of \$10 million or more shall be subject to a preaward compliance evaluation by the Office of Federal Contract Compliance Programs (OFCCP), unless, within the preceding 24 months, OFCCP has conducted an evaluation and found the prospective Contractor and subcontractors to be in compliance with Executive Order 11246.

(End of provision)

**52.233-2 Service of Protest. (Aug 1996)**

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

US Army Engineering & Support Center, Huntsville  
CEHNC-CT-S/Ms. Sharon Butler, Contracting Officer  
4820 University Square  
Huntsville, AL 35816-1822

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(End of provision)

## **L.2 INFORMATION TO OFFERORS**

### **L.2.1 General Information**

#### **L.2.1.1 Point of Contact**

The Procuring Contracting Officer (PCO) is the sole point of contact for this acquisition. Address any and all questions or concerns in writing to the PCO:

US Army Engineering & Support Center, Huntsville  
CEHNC-CT-S/Ms. Sharon Butler, Contracting Officer  
4820 University Square  
Huntsville, AL 35816-1822

Fax no: 256-895-1172

E-mail: [Sharon.H.Butler@hnd01.usace.army.mil](mailto:Sharon.H.Butler@hnd01.usace.army.mil)

#### L.2.1.2 Debriefings

All Offerors may request debriefings by providing a written request to the PCO at the address located in Block 8 of Section A within 3 calendar days after receiving notification from the PCO of elimination from the competitive range or award of contract. To the maximum extent practicable, debriefings will be conducted within 5 days of the debriefing request.

#### L.2.1.3 Site Visits

Pursuant to FAR 52.237-1, *Site Visit*, site visits will be allowed between **April 09, 2003 and October 01, 2003**. Offerors may schedule site visits by contacting the PCO. The request for a site visit shall include the areas of the installation the Offeror wishes to view. Site visit requests shall be made with a minimum of 1-week advance notice

#### L.2.1.4 Technical Library

A Technical Library will be available from **April 09, 2003** until the proposal due date for Offerors to view data that were not available in electronic format. Offerors should contact the PCO to arrange entrance into the Library.

### L.3 PROPOSAL PREPARATION INSTRUCTIONS – GENERAL

This section provides general guidance for preparing proposals and proposal revisions, as well as specific instructions on the format and content of the proposal. The Offeror's proposal must include all data and information requested by these instructions and must be submitted in accordance with these instructions.

The Government will read/evaluate only the maximum number of pages allowed. Nonconformance with the specified organization, content, and page limitations may be cause for proposal rejection.

#### L.3.1 Proposal Organization/Page Limits

Offerors shall prepare the proposal as set forth in the table below. The titles, contents, and page limits of each volume shall be as defined in the table below.

Volume	Paragraph Number	Title	Maximum Page Limit
I		Technical Proposal (Typed)	<b>200*</b>
II		Past Performance	<b>40**</b>
III		Contract Documentation	None
IV		Price Proposal	None

**\*Pages may be 200 single-sided pages or 100 double-sided pages.**

**\*\*Pages may be 40 single-sided pages or 20 double-sided pages.**

#### L.3.2 Proposal Format

The proposal shall be clear and concise, and shall include sufficient detail for effective evaluation and for substantiating the validity of stated claims. The proposal shall not simply restate or

rephrase the Government's requirements, but rather provide a convincing rationale explaining how the Offeror intends to meet these requirements. Offerors shall assume that the Government has no prior knowledge of their facilities and experience, and will base its evaluation on the information presented in the Offerors proposal.

**Each volume shall be written on a stand-alone basis so that its contents may be evaluated without cross-referencing.**

Elaborate graphics, multi-media functions (for example, video clips or sound bites), or other embellishments are unnecessary and are not desired.

### L.3.3 Distribution

Offeror shall submit an original and three hard copies in three-ring binders. An additional copy shall be submitted on a CD.

### L.3.4 Electronic Media

**All Volumes** shall be submitted on CD ROM disks in application-specific files developed and saved using the following versions of Microsoft software: *Word 97, Excel 97, PowerPoint 97, Windows 95, or Microsoft Office 2000*. Electronic proposal files should be no more than four megabytes (4MB) in size. Offerors are encouraged to refrain from incorporating detailed graphic items (other than any plans or drawings) as they are not required or desired. Any scanned documents incorporated into an offeror's proposal shall be split into multiple files so that each individual file is no more than 4MB. If multiple files are required for a given volume, offerors shall organize their electronic submission so that each volume is contained in a separate directory. Each CD shall contain an electronic label, which is to be established on a CD when the CD is formatted. No password-protected, zipped, or self-extracting files shall be used.

Offeror should take reasonable precautions to ensure that CDs provided are free of viruses. Offerors are reminded that if the hard copy version contains restrictive legends the CD shall contain the same markings.

### L.3.5 Pages and Typing

Page size shall be 8½ by 11 inches (*Word for Windows* portrait format) or 11 by 8½ inches (*Word for Windows* landscape format). Landscape pages may be used only for large tables, charts, graphs, and diagrams, not for pages of text. Page size 11 by 17 inches may only be used for tables, figures/diagrams, illustration/drawings, and maps. Pages sized 11 by 17 inches will be counted as two pages.

Text shall be single-spaced, in 11-point Arial font. Arial font size of 10 point may be used for tables, captions, matrices, maps, and header and footer information. For charts, graphs, and figures/diagrams, the font shall be no smaller than 5 point. Use at least 1-inch margins on the top and bottom and 1-inch side margins. Pages will be numbered sequentially by volume. These page format restrictions shall also apply to responses to any correspondence provided during the negotiation process.

Page limitations shall be treated as maximums. If exceeded, excess pages will not be read or considered in the evaluation of the proposal.

Each page shall be counted except for the following: cover pages, table of contents, cross-reference matrix, tabs, glossaries, and attachments (tariffs, statutes, operating manuals, performance specifications, etc).

### **L.3.6 Cost or Pricing Information**

All cost or pricing information, except that described below, shall only be addressed in the price proposal. Cost trade-off information, work-hour estimates, and material kinds and quantities may be used in other volumes as appropriate to support design and trade-off decisions.

### **L.3.7 Proposal Structure**

Each section or part of the Offeror's proposal shall clearly identify the specific solicitation requirements it addresses.

### **L.3.8 Glossary of Abbreviations and Acronyms**

The Government recommends that each volume contain a glossary of abbreviations and acronyms. Glossaries will not count against the page limitations for their respective volumes.

### **L.3.9 Documents Incorporated by Reference**

Offerors may incorporate by reference documents such as statutes, tariffs, operating manuals, performance specifications, etc. within the proposal volumes. However, the full text documents shall be provided as attachments to the appropriate volume.

### **L.3.10 Proposal Revisions**

When submitting revised proposals offerors shall submit changes in accordance with the following.

Proposal revisions shall be submitted as one original, three hard copies and an electronic copy on CD.

In the upper right corner of each revised page, include the Offeror name, exact location (volume, section, page number, etc.) within the original proposal, and date of transmittal. Changes shall be marked by a change bar in the margin to indicate the changed part of each page. If the revision exceeds one page, each page shall be marked with the page number it is replacing and a numerical or alphabetical extension (i.e. 93-a...93-d). For each deleted page, a blank page shall be submitted denoted with "page intentionally left blank" and the original page number.

## **L.4 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME I: TECHNICAL PROPOSAL**

The Technical Proposal Volume should be specific and complete. The technical proposal shall describe the Contractor's experience, capability, and approach to providing utility service. It should be specific and complete in every detail. Proposals that merely offer to provide service in accordance with Section C, *Description/Specifications/Work Statement*, will be considered technically unacceptable and will not be considered further.

The proposal shall detail the offeror's understanding of the scope of work for this effort by detailing how each of the following tasks will be accomplished. The technical proposal shall specifically address each of the following subfactors.

1. Experience and Organizational Capability
2. Operations and Maintenance Plan, Service Interruption/Contingency Plan and Quality Management Plan

3. Initial Capital Upgrades and Initial Renewals and Replacements Plan
4. Operations Transition Plan
5. Environmental, Historical, and Cultural Resources Plan
6. Financial Strength

#### **L.4.1 Subfactor 1: Experience and Organizational Capability**

L.4.1.1 Experience. Describe the offeror's comparable experience within the last five (5) years in providing the type(s) of utility service for which the offeror is proposing. Comparable service should be for individual or classes of customers whose service requirements are similar to those specified in this solicitation. Measures for comparable service may include, but not be limited to, such factors as utility system line miles, capacity, number of customers and/or service locations, valuation of distribution facilities, geographic area served and type and magnitude of individual or collective capital projects.

L.4.1.2 The offeror shall submit a Management Plan and organization chart showing the offeror's corporate structure and lines of authority. Resumes of Offeror's designated key personnel (to include on-site key personnel) should be included in the proposal. Provide letters of commitment for all subcontractors that are to provide significant portions of the work. If subcontractors are to provide major portions of the work and you desire the subcontractors' credentials to be considered, please provide letters of commitment for each. Roles and responsibilities should be discussed. The Government is particularly interested in the qualifications of supervisors, to include those personnel who will interact with the Government for the purposes of planning and daily coordination. The offeror should address which team members will perform various tasks (prime or subcontractor) and where the personnel and material (inventory) will be located (on-site, off-site, home office, etc.). The offeror should address how efficiency will be attained in all areas while providing a high level of quality service. The offeror should address resources available for the support of the project, including facilities, equipment, inventory, and staffing. Include information on union agreements that may affect this contract. If the offeror is a municipal utility or other not for profit organization, please discuss how you are organized and the essential aspects of your corporate charter. Discuss what role and authority any governing board and/or city council will have in operations and ratemaking. Provide a description of regulatory constraints and performance, to include a description of all regulatory influences and how they interface with the offeror's performance under the contract. As applicable, an Offeror should reference tariffs, rules and other documented procedures that would guide or control the performance of the technical effort.

#### **L.4.2 Subfactor 2: Operations and Maintenance Plan, Service Interruption/Contingency Plan and Quality Management Plan**

Offeror shall submit an Operations and Maintenance Plan, Service Interruption/Contingency Plan and Quality Management Plan in accordance with the requirements of Section C, *Description/Specifications/Work Statement*. The Operations and Maintenance, Service Interruption/Contingency Plan and Quality Management Plan will be incorporated into the contract after contract award but prior to performance of O&M services.

#### **L.4.2.1 Operations and Maintenance Plan**

The O&MP shall describe, in detail, how system operation and maintenance will be accomplished as it relates to: who will be responsible for daily O&M, whether it will be performed with in-house staff or subcontracted; how the specific requirements of Section C, *Description/Specifications/Work Statement* are to be met; and what standards will be followed. The Contractor's published operations and maintenance policies and procedures may be provided to document the standards to be utilized for the provision of utility service.

When developing the O&MP, the criteria listed below, if applicable, should be considered. For each of the proposed performance standards and/or specifications, describe how the performance standards and/or specifications will be met.

Quality, Reliability, Recurring and Preventative Maintenance, Availability, Voltage Regulation, Demand and Distribution Capacity, Limitation of Fault Current, Corrosion Control, Lightning Protection and Harmonics Problems, Minimization of System Losses and Power Factor Corrections, Safety of Government Personnel and Property, Service Connection Standards and Specifications, Distribution Construction Standards, Commissioning Standards, Color Identification and Markings, System Inspections, Meter and Equipment Calibration, Service Interruption Frequency, Operating Permits, and Employee Certifications.

#### **L.4.2.2 Service Interruption/Contingency Plan**

The offeror shall submit a Service Interruption/Contingency Plan IN ACCORDANCE WITH the applicable requirements of Section C, *Description/Specifications/Work Statement*, paragraph C.7, *Response to Service Interruptions and Contingencies* and paragraph C.8, *Repair Response Notification Procedures*. The offeror shall describe how minor emergency repairs and major disaster recovery will be accomplished as it relates to who will be responsible and whether it will be performed with in-house staff or subcontracted personnel. Describe where the staff will be located and the positions to be located there. Indicate the expected responses to routine and emergency service requests and how quickly you can respond. The Service Interruption/Contingency Plan will be incorporated into the contract at time of award.

The Service Interruption/Contingency Plan should, at a minimum, address the following:

- Resources to be utilized in the implementation of the procedures described in the Plan
- Detailed contingency plan of action (including Government notifications)
- Estimated response time
- Estimated time for reestablishment of temporary service
- Estimated time for reestablishment of permanent service
- Emergency Restoration Plan in the event of widespread utility outage

The offeror shall describe procedures, methods, and safety practices for working with and in the vicinity of around energized equipment. Specifically describe practices for working on energized overhead lines and in manholes containing energized conductors and equipment. Describe measures to be employed at USMA to minimize service disruptions and assure a high degree of availability and reliability.

The contractor shall describe the facilities required on the installation that will be required to support operation, maintenance, and construction. The offeror shall specify whether the facilities will be existing space or new buildings/facilities. Information to be provided includes: type and

use of each facility; square footage; parking area; warehouse/storage areas; utilities required; paved access land space requirements; and cost of construction.

#### **L.4.2.3 Quality Management Plan (QMP)**

The offeror shall submit a draft Quality Management Plan (QMP).

The definition of the QMP shall include, but not be limited to, the following:

- Ensure compliance with the procedures of the Operations and Maintenance Plan.
- Staffing Plan, which clearly defines: which personnel will perform various tasks; the qualifications of each staff position; and where the personnel and material (inventory) will be located (on-site, off-site, home office, etc.). Provide an organizational chart showing the number of persons available and their respective disciplines/positions (clerical, engineering, customer service, etc). Clearly define roles, responsibilities and lines of authority between corporate, technical, field and subcontractor management levels (if applicable). Identify the person responsible for being the point of contact to the Government and/or the individual facility. The staffing plan shall also identify training and certifications required for each staff position and the Contractor's approach to ensuring personnel are current in training and certifications. The offeror should address how efficiency will be attained in all areas while providing a high level of quality service. The proposed staffing plan shall provide resumes of the offerors key personnel, including management directly responsible for performance under the contract and for supervision of day-to-day activities. Discuss each position, the responsibilities of the person holding the position to include specific duties, and the qualifications (education, specific technical training, work related experience, relevant certifications) of the individual.
- Quality Awards and Certificates.
- Identify processes for obtaining customer feedback and translating feedback into appropriate process improvements.
- A proven system of inspections or other quality assessment procedures and techniques.
- Record keeping (maps, GIS integration, data updating, etc).
- Performance metrics and standards to be used to assess and improve the quality and cost of contract work by identifying, reporting, and correcting deficiencies and preventing reoccurrence.
- An Environmental Compliance Plan that addresses the requirements of Section C, *Description/Specifications/Work Statement*, paragraph C.10.
- A Service Continuity Assurance Plan that describes any plans to ensure continuous service and minimize any service disruptions as it relates to system configuration modifications proposed, line maintenance practice, and line repair practice.

#### **L.4.3 Subfactor 3: Initial Capital Upgrades and Initial Renewals and Replacements Plan**

Offeror shall submit an Initial Capital Upgrades and Initial Renewals and Replacements Plan in accordance with applicable requirements of Section C, *Description/Specifications/Work Statement*. An Initial Capital Upgrades and Initial Renewals and Replacements Plan will be incorporated into the contract at time of award.

The Initial Capital Upgrades and Initial Renewals and Replacements Plan shall describe in detail the purpose, scope and cost of the initial capital upgrades and provide a detailed description of the Contractor's procedures for identifying, financing and scheduling long-term capital renewals and upgrades. The plan shall include, at a minimum, the following:

1. Detailed description of all proposed initial capital upgrades and initial renewals and replacements to the utility system. A schedule for implementing proposed capital upgrades and initial renewals and replacements shall be included.
2. Conceptual methodology that will be used for scheduling renewals and replacements for the duration of the contract to ensure long-term efficient level of service.
3. As applicable, conceptual plans for, including methods for monitoring the effectiveness of, energy efficiencies and conservation projects for purposes as defined in paragraph C.3.4, *Energy Efficiency and Conservation*.

#### **L.4.4 Subfactor 4: Operational Transition Plan**

The Offeror shall submit an Operational Transition Plan in accordance with Section C, *Description/Specifications/Work Statement*, paragraph C.13, *Operational Transition Plan*. The transition plan shall propose a plan and a schedule for inventory, coordination of joint Contractor-Government activities. It shall include turnover of the facilities, equipment, permits, operation and maintenance, and other responsibilities to include any new construction, installation of meters required for utility billing, turnover of meter readings and billing responsibilities, and the process for evaluating existing employees for employment. The operational transition plan shall include procedures and an implementation schedule for the following:

1. Transition of system operations including procedures for operation and maintenance during the transition.
2. The Offeror's plans for onsite familiarization.
3. Implementing new connections and new meter requirements.
4. The Offeror's approach and time schedule for obtaining any required operating permits.
5. The Offeror's plan for the pre-transfer inventory and mapping update. The inventory and mapping update will be used as the basis for easements and Government asset transfer.
6. The Offeror's logistical approach to inventory and transfer of utility system assets (fixed and non-fixed), manuals, and records.

The level of detail required in the offeror's proposal shall be to the level necessary to support the price proposal. The offeror should describe all efforts to be performed by the offeror, both qualitatively and quantitatively, and the details of support effort that the offeror expects from the Government. The level of description required may include, but not be limited to the following:

- details of how an offeror will determine and document the location of the system equipment (both above and below grade),
- how many elements he proposes to utilize to verify the system element location relative to the mapping coordinate system,
- what records would be utilized for mapping updates,
- if interviews with installation personnel are considered necessary and how they would be performed and utilized in updating the mapping system.
- what equipment (nameplate/birthmark/size) information will be recorded,



- how equipment information will be procured, together with statements as to whether each piece of equipment will be examined or whether it will be done on a sampling basis (how many & what sample frequency),
- what records would be utilized for development of the inventory,
- if interviews with installation personnel are considered necessary and how they would be performed and utilized in development of the inventory.

#### L.4.5 Subfactor 5: Environmental, Historical, Cultural Plan

The offeror shall describe how he will execute work under the contract in accordance with the contract provisions regarding environmental, historical, and cultural resource requirements.

#### L.4.6 Subfactor 6: Financial Strength

Offeror(s) shall submit documentation of financial capabilities IAW Provision M.3, *Evaluation Factors and Subfactors*. Financial capability shall demonstrate that the Offeror is in sound financial condition and has the ability to secure the necessary financing to meet the financial and capital requirements of the utility system both now and in the future. Offerors shall describe in detail their capability to finance the utility system purchase price, CIAC tax payment and capitalization principal, renewals and replacements, and upgrades. Additionally, Offerors may describe how they will utilize other financial instruments (e.g., performance bonds, additional insurance coverage, etc.) to mitigate operational risks to the Government over the term of the contract.

At a minimum, the Offeror shall submit the following criteria for the past five years; Interest Coverage, Funds from Operation (FFO) to Interest Ratio, FFO to Total Debt Percentage, Total Debt to Total Capital Ratio (Debt Ratio), and Disaster Recovery Ratio (DRR), in order to accurately characterize the Offeror's financial condition. Offerors should also submit current bond ratings (e.g. from Moodys, Standard and Poors, or any other investment publication).

Financial Strength Ratio Table					
Ratio	Year X	Year X-1	Year X-2	Year X-3	Year X-4
1. Interest Coverage					
2. Funds from Operation (FFO) to Interest Ratio					
3. FFO to Total Debt Percentage					
4. Total Debt to Total Capital Ratio					
5. Disaster Recovery Ratio (DRR)					

#### DEFINITIONS:

**Interest Coverage:** Pretax Operating Income / Gross Interest Expense

**Funds From Operations (FFO):** Net Income + Depreciation + Deferred Taxes + Investment Tax Credits + Allowance for Funds Used During Construction (AFUDC) + Deferrals + Other FFO Adjustments

**Average Total Debt:** (Long-Term Debt + Short-Term Debt) of current period / 2 + (Long-Term Debt + Short-Term Debt) of prior period / 2

**Interest Expense:** Gross Interest Expense as the sum of Long-Term and Short-Term interest (e.g. before any deduction for the debt portion of AFUDC)

**Total Debt:** Short-Term Debt + Long-Term Debt

**Total Capital:** Short-Term Debt + Long-Term Debt + Preferred Stock + Common Equity

**Disaster Recovery Cash Requirement (DRCR):** Replacement Cost New x Maximum Recovery Ratio (defined as the maximum proportion of the installation's utility system likely to be destroyed in a disaster or catastrophe)

Maximum Proportion of Utility System able to be destroyed =

Electric – Mostly Overhead	= 75% x Utility Plant (Replacement Cost New)
Electric – Mostly Underground	= 15% x Utility Plant (Replacement Cost New)
Natural Gas	= 20% x Utility Plant (Replacement Cost New)
Water – with Elevated Storage	= 35% x Utility Plant (Replacement Cost New)
Water – without Elevated Storage	= 10% x Utility Plant (Replacement Cost New)
Wastewater – with Treatment	= 35% x Utility Plant (Replacement Cost New)
Wastewater – without Treatment	= 10% x Utility Plant (Replacement Cost New)

**Disaster Recovery Ratio (DRR):** DRCR / Total Capital

## L.5 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME II: PAST PERFORMANCE

The offeror shall submit to the Contracting Officer its past performance information described below as part of its proposal. Past performance references and contracts submitted may include those with Federal, State, or local governments, and those with commercial or private customers of similar scope, size and complexity for efforts similar to the Government requirement.

L.5.1 References. The offeror should provide references for at least six of the offeror's largest customers or projects of similar scope, magnitude, and complexity. Projects cited and references should be recent (within the last 5 years of the date of the proposal). *Reference information should include the name and address of the customer, as well as a primary point of contact and telephone number.* Two of the references should be for projects or customers where conflict and complaint resolution has been necessary. You are required to submit the information listed below for each reference provided for this factor:

- -Demand/Demand Capacity –kW (electric),
- -Distribution Plant Value
- -Number of Individual Service Points
- -Size of Area Served (if known-square footage of customer's serviced premises)
- -Number of Customers (if multiple occupancy)

- -Type of Service provided (e.g. Services, Commodity)
- -List of Type of Customers within the Service/Project Area (e.g. Medical Facilities, Housing Area, Apartments, Industrial Customer, Office Building, Shopping Mall, Communications, etc.)

References will be contacted to **verify** Past Performance information. If the offeror fails to provide valid customer contacts, past performance references may not be considered.

L.5.2 System Acquisitions. The offeror shall provide a list of all system acquisitions completed within the last 10 years or currently in progress, which are of similar scope, magnitude, and complexity to the requirements of this request for proposals. NOTE: If the offeror has no such acquisitions, a negative response is required. The list should include the following:

Name of the acquisition or project

Brief description of contract or subcontract

Annual outage data for the last five years or similar performance measurements

Total contract value

Period of performance

Principal parties involved and telephone numbers

L.5.3 Past Performance Evaluation: During past performance evaluation, the Government reserves the right to look outside of the proposals for past performance information of the offeror. The Government will consider information submitted by the offeror and owners/clients, as well as any other relevant and reliable information obtained from any other source (including information from Government personnel and databases). The Government will evaluate the currency and relevancy of the information, the source of the information, and general trends in performance, and appropriately factor the information into the evaluation. Information on significant problems encountered, customer dissatisfactions, and corrective actions taken should be provided. This comparative assessment of past performance is separate from the responsibility determination. In the event an offeror lacks a record of relevant past performance, or if information is not available, the offeror will not be evaluated favorably or unfavorably for past performance. The agency will base the past performance information on the project experience provided in Factor 1 and the Past Performance Questionnaire Forms received in response to this solicitation, as well as all other relevant and reliable sources of information authorized by the solicitation relating to past performance.

L. 5.4 Subcontractor Past Performance Evaluation: The Government will evaluate past performance information on each pre-selected subcontractor, identified in the offeror's proposal, that will perform more than 10% of the effort. During past performance evaluation, the Government reserves the right to look outside the offers for past performance information of the identified subcontractors.

L.5.5 Awards and Certifications. The offeror should describe any quality awards or certifications that indicate the offeror possesses a high quality process for developing and producing the product or service required. Identify the segment of the company (one division or the entire company) which received the award or certification. Describe when the award or certification was bestowed. If the award or certification is over three years old, present evidence that the qualifications still apply. A negative response is required if the offeror has no awards or certifications.

## L.6 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME III - CONTRACT DOCUMENTATION

### L.6.1 Standard Form (SF) 33 & Representations and Certifications

Volume III shall include the following:

- A completed, signed and dated SF 33. The *original* copy should be clearly marked under separate cover and should be provided without any punched holes.
- Completed Section K

### L.6.2 Alternate Proposals and Exceptions to Terms and Conditions

The Government encourages the submission of alternate proposals which add value when compared with the requirements in the RFP. Provide a rationale explaining the advantages of the alternate proposal to the Government.

In addition, exceptions may be taken to individual terms and conditions of the RFP. Exceptions taken to individual terms and conditions of the RFP shall be clearly identified. Each exception shall be specifically related to each paragraph and/or specific part of the RFP to which the exception is taken. Provide a rationale in support of the exception, explaining its effect in comparison with the original requirements of the RFP. This information shall be provided in the format and content of the table below. Unless included in this volume, no exceptions to terms and conditions will be assumed and any resultant contract will incorporate the terms and conditions of the RFP.

RFP EXCEPTIONS

RFP Document	Paragraph/ Page	Requirement/ Portion	Rationale
SOW, RFP Model Contract, etc.	Applicable page and paragraph numbers	Identify the requirement or portion to which exception is taken	Justify why the requirement will not be met or discuss reasons why not meeting the Government's terms and conditions might be advantageous to the Government

### L.6.3 Other Required Information

#### L.6.3.1 Authorized Personnel

Provide the name, title, and telephone number of the company representative(s) who can obligate your company contractually. Also, identify those individuals authorized to negotiate with the Government.

#### L.6.3.2 Subcontracting Plan (Large Businesses Only)

Each large business Offeror shall submit a Subcontracting Plan as part of their proposal submission. The plan shall be prepared IN ACCORDANCE WITH FAR 52-219-9, *Small Business Subcontracting Plan*.

#### L.6.3.3 Socioeconomic Plan

Offerors shall submit a plan that demonstrates their commitment to providing subcontracting opportunities to small businesses (which include small businesses, small disadvantaged businesses, HUBZone small businesses, women-owned small businesses, and Veteran-owned small businesses) and historically black colleges or universities and minority institutions. All offerors regardless of business size are required to provide socioeconomic commitment. Small businesses will be credited for the dollar value/percentage of the work they perform as if the work were subcontracted to a small business concern. Work performed by a small business in house shall be identified in the socioeconomic plan.

**SOCIOECONOMIC PLAN:** In addition to any subcontracting plan required by Clause 52.219-9, describe the extent of participation of small businesses (which include small businesses, small disadvantaged businesses, HUBZone small businesses, women-owned small businesses, and Veteran-owned small businesses) and historically black colleges or universities and minority institutions in performance of the contract whether as a joint venture, teaming arrangement, or subcontractor. As part of this description the offeror shall include:

1. A description of the efforts the company will make to assure that small businesses and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs) will have equal opportunity to compete for subcontracts under any resulting contract.
2. A description of the offeror's current and planned proposed range for services, supplies, and any other support that will be provided by small businesses and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs).
3. The specific names of subcontractors to the extent they are known.
4. A description of any future plans the company has for developing additional subcontracting opportunities for small businesses and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs) during the contract period.
5. Identification of the portion of the offeror's proposal, as a percentage of dollars, that will be subcontracted to small businesses and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs).
6. The type of performance data the offeror would accumulate and provide to the Contracting officer regarding your support of small businesses and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs) during the period of contract performance.
7. The name and title of the individual principally responsible for ensuring company support to such firms.

#### L.6.3.4 Catastrophic Loss

Per H.3, Catastrophic Loss, the offeror shall propose how it plans to protect itself from a catastrophic loss.

## **L.7 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME IV: PRICE PROPOSAL**

### **L.7.1 Submission of Certified Cost or Pricing Data**

If adequate price competition does not exist, cost or pricing data (see FAR 15.406-2, *Certificate of Current Cost or Pricing Data*) may be required. In the event that cost or pricing data is required, the Offeror shall provide cost or pricing data within 30 calendar days after receipt of the Contracting Officer's request.

### **L.7.2 General**

The Offeror shall submit schedule B-1, B-2, B-3, or B-4 together with supporting information and data. Price support information shall include spreadsheets from which the price is developed, submitted in Microsoft Excel format, with all supporting files and calculations (complete with formulas and the location of cells used to perform calculations).

### **L.7.3 Accounting Systems**

The Offeror shall describe the accounting system proposed for this contract.

### **L.7.4 Organization**

Volume IV shall consist of the following sections:

- Table of Contents
- Section 1: Schedule B-1/B-2/B-3/B-4, Utility Service Payment by the Government.
- Section 2: Price Proposal, Pricing Assumptions, and Proposal Details
- Section 3: Accounting Systems
- Section 4: Tax Discussion
- Section 5: Price Risk Assessment

### **L.7.5 Detailed Instructions for Price Proposal**

#### **Table of Contents**

The Table of Contents shall specify, by page number, the location of information requested in these instructions.

#### **Section 1 - Schedules B-1, B-2, B-3, and B-4**

In accordance with Section B, offerors may propose as a regulated entity under a tariff rate using Schedule B-2, or as a non-regulated entity using Schedule B-1, B-3, or B-4.

Include a completed copy of the RFP Schedule B-1, B-2, B-3, or B-4 *Utility Service Payment by the Government*, as appropriate.

#### **Section 2 -- Schedules B-1, B-3, and B-4 - Price Proposal, Pricing Assumptions, and Proposal Details.**

#### **A. Offerors not proposing tariff rates may use one of the following methods:**

1. **“Rate Based” Method.** - The rate-based method is one whereby the O&M price is estimated using the offerors historical cost rate (e.g., \$/mile) or a price-based rate (e.g. \$/ kWh) to serve similar customers through similar utility systems receiving a similar level of service. The price developed from a rate-based method will be supported by the offerors documented historical cost to providing similar services to similar customers with the service defined by the offeror's service policy and line extension policy.

2. **“Estimated Cost” Method.** - The estimated cost method is one whereby the offeror’s price is developed as a detailed line item cost estimate. The estimated cost method requires that a work plan be defined in the proposal by task, in order to develop the detailed line item cost estimate.

### 3. Pricing Assumptions and Proposal Details.

The offeror shall submit Attachment J.4, *Rate Based Pricing Method and Estimated Cost Based Pricing Method*, and provide data for O&M costs, capital costs, system acquisition price, and operations transition costs. The offeror shall also submit narrative descriptions of his assumptions and pricing approach. In discussion of the price proposal the offeror should include narrative that describes the pricing approach and methodology relative to flexibility, ease of modification, ease of administration, streamlining of day-to-day business practices, simplicity (pricing mechanisms), and the accommodation of accurate periodic price redetermination.

**Operations and Maintenance (fifty years).** For the operations and maintenance component the offeror shall clearly establish a direct correlation between the price listed in Schedule B-1, B-3, or B-4 and the operations and maintenance plan provided in accordance with section L.4.2.1, *Operations and Maintenance Plan*.

a. Rate Based Method – If the offeror’s estimating technique is to develop this proposal based on a historical cost rate (e.g., \$/mile) or a price based rate (e.g., \$/kWh) to serve similar customers through similar utility systems receiving a similar level of service, the offeror shall provide the following:

(1). Service Policy. The Offeror shall provide a copy of the Service Policy outlining the types of effort provided for the rate proposed. A Service Policy is defined as a written description of service to be provided for the price charged. For companies regularly engaged in utilities work, a customer might expect to receive any and all necessary distribution system O&M, system renewal, and some system improvements all for a set rate. Any work specified by the company's published line extension policy would be provided at an extra charge. The Service Policy in this case would be the combination of the company's published line extension policy plus a statement that all service outside that defined by the line extension policy is provided at the rate proposed. For items that fall outside the standard service policy (such as mobilization) and that may fall within the offerors line extension policy (such as system expansion and possibly initial system upgrades), the offeror will have to submit a detailed work plan in order to define the work to be performed.

(2). Price Backup. The offeror shall explain the method used to develop the cost estimate. In addition, the offeror shall:

(a) Provide a narrative describing the similarities of the installation as a customer to the customer rate class served by the comparable system (e.g. commercial, residential, and industrial).

(b) Provide the Rate Support Schedule in Section J, Attachment J.4. This schedule compares the characteristics of similar systems verses the characteristics for the installation (i.e., age, condition, size, construction standards, location, regulatory standards, etc). Schedule items provided are not limited to those listed on the schedule and some may not apply.

(c) Provide the service policy for the similar systems.

(d) Prepare a schedule of the specific rate components and their share of the total rate. Include discussions about the comparability of respective rate components for the similar system and the Army utility system(s). This comparison will include a comparison of the cost or price elements that comprise the rate you are proposing (such as distribution operation expense, distribution maintenance expense, meter reading expense, customer accounts expense, customer service expense). The measuring criteria used for these comparisons will be those that are standard to the respective industry (e.g., dollars per kWh, dollars per line mile, etc). Clearly show and explain how the rate is adjusted for differences in the respective plants, services or conditions under which the services are provided. Clearly distinguish capital renewal and upgrade effort that is included in the proposed rate.

b. Estimated Cost Method - If the offerors estimating technique is based on a build-up of estimated costs, offeror shall provide the following.

(1) Service Policy. The Offeror shall provide a copy of the Service Policy outlining the types of effort provided for the price proposed.

(2) Price Backup. The offeror shall explain the method used to develop the cost estimate. The offeror shall submit support for the price proposed including a detailed line item estimate developed from the offerors documented work plan, work breakdown structure, and cost estimate for specific tasks. In addition, the offeror shall:

(a) Provide detailed pricing data for all labor (labor rate, fringes, and overhead burdens), materials and procurement costs, insurance, equipment, general and administrative, overhead costs. Provide the amount of profit/fee for a complete price for the staff.. Clearly show how these profits are applied to the selected tasks.

(b) For periodic study costs and other specific task support for O&M, a fill-in schedule is not specifically provided, however the offeror should provide a detailed task by task cost estimate to support the price included in the project table to show the associated man-hours, labor, materials, equipment, and overhead cost for each major line item or task, and the anticipated year in which studies are to be performed. If performed by in-house personnel, cross-reference the labor with the staffing plan.

(c) For other annual O&M costs such as equipment, materials, taxes, etc., complete the attached cost schedules as appropriate (see Section J, Attachment J.4). Items provided are not limited to those listed and some may not apply. Utilize the Description column to clarify assumptions and explanations.

(d) For O&M executed by subcontract, define the work and provide costs estimates.

(3) Describe and illustrate how various overhead amounts/rates are computed and applied to various line items or task. Taxes and franchise fees, if applicable, shall flow straight through to the Government without any sort of mark-up designed to benefit or compensate the contractor. Federal Taxes and any CIAC tax should be separately identified in the schedules provided. For all annual O&M costs, provide the amount of profit/fee for a complete price for the annual O&M. Clearly show how these profits are applied to the selected tasks.

### **Capital Costs**

a. Renewals and Replacements. Renewals and Replacements are defined in C.11.2, *Capital Upgrades and Renewals and Replacement*. For the Renewals and Replacements component, the Offeror shall propose a 50-year schedule for renewals and replacements of major system



components given the information available in this solicitation, technical library, through site visits, and other pertinent information. The 50-year schedule for renewals and replacements shall be established as shown in Attachment J.4, *Rate Based Pricing Method and Estimated Cost Based Pricing Method*. The Offeror shall clearly establish a direct correlation between the 50-year schedule for renewals and replacements and the proposed renewals and replacements component of the price presented in Schedule B-1, B-3, or B-4. If the correlation includes a residual value at the end of the 50-year schedule, the Offeror shall clearly demonstrate the basis for the residual value.

b. Capital Upgrades. The Offeror shall provide cost information for capital upgrades listed in the Capital Upgrades and Renewals Plan provided in their proposal in accordance with C.11.2, *Capital Upgrades and Renewals and Renewals Plan*. Information to support the price proposed for capital upgrades shall include total upgrade price, estimated completion date, and the number of months the price will be amortized as proposed by the Offeror. This information should be provided in Attachment J.4, *Rate Based Pricing Method and Estimated Cost Based Pricing Method*.

c. Recoverable Portion of the Purchase Price. The recoverable portion of the purchase price (purchase price as offered in Sub-CLIN AD) is the portion of the purchase proposed for recovery by the Offeror. The offeror shall provide the monthly purchase price recovery amount and the number of months for which this recovery will be applicable. After the time period proposed by the Offeror expires, this portion of the monthly fixed payment will be removed from the contract price. An amortization schedule should be provided in Attachment J.4, *Rate Based Pricing Method and Estimated Cost Based Pricing Method*.

#### **Acquisition Price**

Price Backup. The offeror shall explain the method used to for determination of fair market value (appraisal, book value, business value, etc) and development of the acquisition price. The offeror shall provide price support for the proposal and assumptions on which it is based.

#### **Operations Transition Costs**

Price Backup. The offeror shall explain the method used to develop the cost estimate. The offeror shall submit support for the price proposed including a detailed line item estimate developed from the offerors documented work plan, work breakdown structure, and cost estimate for the specific tasks. The offeror shall propose recovery of capital costs associated with mobilization in accordance with H.8 s(set-up at the site including any new buildings, warehouses, etc. with equipment in place and ready to begin the O&M of the utility system).

#### **Economic Price Adjustment Index Methodology**

In the Price Proposals, offerors shall specify the index or indices they propose as a price adjustment mechanism. Offerors shall explain why the indexes proposed were selected, comprehensively describe the working of the price adjustment mechanism including the timing of adjustments and the composition of the base, and provide a sample calculation.

#### **B. Offerors proposing tariff rates may use one of the following methods:**

For each proposed tariff the offeror shall provide an explanation of each tariff, how each tariff will be applied, the locations to which each tariff applies, and the rationale for applying each tariff. The offeror shall provide information on how the proposed tariff rate(s) will be applied to determine the monthly charge. The offeror shall provide any assumptions in determining which

rate to apply. Describe the rate/rates, how and what assumptions you are using to determine the annual costs for the different rates. Offeror shall describe how the offered rate differs from the rate under which service is currently being provided to the Installation and the economic impact of any proposed change in rate. As part of the offer the offeror shall provide the following if applicable:

1. Service Class
2. Description of the Service Class adequate to establish applicability to this procurement
3. Tariff schedule
4. Assumptions of service (estimated usage per building per service class, etc.)
5. Based on the tariff rate proposed, the calculated annual cost
6. An explanation of the regulatory process, if any that will apply prior to the imposition of future price changes.
7. Capital, Renewals and Replacements.
  - a. Renewals and Replacements are defined in C.11.2, *Capital Upgrades and Renewals and Replacement*. For the Renewals and Replacements component, the Offeror shall propose a 50-year schedule for renewals and replacements of major system components given the information available in this solicitation, technical library, through site visits, and other pertinent information. The 50-year schedule for renewals and replacements shall be established as shown in Attachment J.4, *Rate Based Pricing Method and Estimated Cost Based Pricing Method*. The Offeror shall clearly establish a direct correlation between the 50-year schedule for renewals and replacements and the proposed renewals and replacements component of the price presented in Schedule B-1, B-3, or B-4. If the correlation includes a residual value at the end of the 50-year schedule, the Offeror shall clearly demonstrate the basis for the residual value.
  - b. Capital Upgrades. The Offeror shall provide cost information for capital upgrades listed in the Capital Upgrades and Renewals Plan provided in their proposal in accordance with C.11.2, *Capital Upgrades and Renewals and Renewals Plan*. Information to support the price proposed for capital upgrades shall include total upgrade price, estimated completion date, and the number of months the price will be amortized as proposed by the Offeror. This information should be provided in Attachment J.4, *Rate Based Pricing Method and Estimated Cost Based Pricing Method*.
  - c. Recoverable Portion of the Purchase Price. The recoverable portion of the purchase price (purchase price as offered in Sub-CLIN AD) is the portion of the purchase proposed for recovery by the Offeror. The offeror shall provide the monthly purchase price recovery amount and the number of months for which this recovery will be applicable. After the time period proposed by the Offeror expires, this portion of the monthly fixed payment will be removed from the contract price. An amortization schedule should be provided in Attachment J.4, *Rate Based Pricing Method and Estimated Cost Based Pricing Method*.

#### **Acquisition Price**

Price Backup. The offeror shall explain the method used to for determination of fair market value (appraisal, book value, business value, etc) and development of the acquisition price. The offeror shall provide price support for the proposal and assumptions on which it is based.

#### **Operations Transition Costs**

**Price Backup.** The offeror shall explain the method used to develop the cost estimate. The offeror shall submit support for the price proposed including a detailed line item estimate developed from the offerors documented work plan, work breakdown structure, and cost estimate for the specific tasks. The offeror shall propose recovery of capital costs associated with mobilization in accordance with H.8 s(set-up at the site including any new buildings, warehouses, etc. with equipment in place and ready to begin the O&M of the utility system).

### **Section 3 -- Accounting System**

Summarize your accounting system as it pertains to this acquisition. Describe how the system will account for all cash flows between the Government and the Contractor and all direct and appropriately allocated indirect costs incurred by the contractor.

For Offerors proposing Cost Accounting Standards (CAS) compliant accounting systems as a Uniform System of Accounts (USOA): state whether or not your Disclosure Statement has been determined adequate by the cognizant Government ACO. If determined adequate, provide date of approval. Identify any outstanding CAS violations; provide status/action being taken. If exempted from submitting a CAS Disclosure Statement so state, and identify the reason for the exemption.

### **Section 4 -- Tax Discussion**

The offeror should discuss in detail the tax assumptions on which the proposal is based. The offeror should address what taxes the offeror has assumed will apply to the work and how they affect the price proposed. Discussion of taxes should include contribution in aid to construction taxes, property taxes, income taxes (Federal and State), and any other taxes that the offeror may incur during execution of the work.

### **Section 5 -- Cost Risk Assessment**

Submit a risk analysis that identifies cost risk areas and the recommended management approach to mitigating/controlling the impact of those cost risks on the overall success of the program. Use the sample format below:

<b>Cost Risk Area</b>	<b>Mitigation</b>
Explain the risk element	Explain plans to mitigate

SECTION M

## Evaluation Factors for Award

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### M.1 BASIS FOR CONTRACT AWARD

Award will only be made if (1) the long-term economic benefit of the conveyance to the United States exceeds the long-term economic cost of the conveyance to the United States, and (2) the conveyance will reduce the long-term costs of the United States for utility services provided by the utility system concerned.

A contract will be awarded to the Offeror who is deemed responsible in accordance with FAR 9.1, whose proposal meets the criteria described in the above paragraph, and whose proposal is determined to represent the best value to the Government based on the evaluation factors listed below. All proposals will be evaluated based on the evaluation factors listed below. The lowest priced proposal may not necessarily receive the award; likewise, the highest rated technical proposal may not necessarily receive the award.

### M.2 ACCOUNTING SYSTEM

Offerors lacking an acceptable accounting system will be determined non-responsible and ineligible for award.

### M.3 EVALUATION FACTORS AND SUBFACTORS

The five evaluation factors are: (1) Technical Approach; (2) Past Performance; (3) Risk; (4) Socioeconomic Plan; and (5) Price. The evaluation factors and subfactors are as follows:

- Factor 1: Technical Approach
  - Subfactor 1: Experience and Organizational Capability: will be evaluated for suitability in relation to the Government's needs.
  - Subfactor 2: Operations and Maintenance Plan, Service Interruption/Contingency Plan and Quality Management Plan: will be evaluated for the degree to which it ensures appropriate, efficient and effective operation and maintenance of the utility system(s) and an acceptable level of quality.
  - Subfactor 3: Initial Capital Upgrades and Initial Renewals and Replacements Plan: will be evaluated for the degree to which it supports the long-term ability of the utility system(s) to provide utility service(s).
  - Subfactor 4: Operations Transition Plan: will be evaluated for the degree to which it will ensure an effective and efficient transition.
  - Subfactor 5: Environmental, Historical, Cultural Plan
  - Subfactor 6: Financial Strength: Will be evaluated for stability and adequacy to meet the long-term capital and cash needs to own, operate, and maintain the utility system(s). This is to be reflected in documented evidence that the Offeror is in sound financial condition and has the ability to secure the necessary financing to meet the financial and capital requirements needs of the utility system both now and in the future.
- Factor 2: Past Performance: will be evaluated based on the degree to which current and previous (within the past 5 years) contract efforts indicate the probability of the Offeror

successfully accomplishing the requirements of the statement of work throughout the contract period. The currency and relevancy of the information, source of the information, context of the data, and general trends in contractor's performance will be considered.

In the case of an Offeror without a record of relevant past performance or for whom information on past performance is not available, the Offeror will not be evaluated favorably or unfavorably on past performance. However, a higher rating may be achieved if the Offeror proposes management personnel who have a successful record of performance on relevant and recent contracts, or if a proposed subcontractor (who will be performing a significant portion of the work) has a "very good" or better performance history on relevant and recent contracts.

Offerors are advised that the Government may use information gained from any source known to the Government to evaluate past performance, provided such information is recent (within the past 5 years).

- Factor 3: Risk
  - Subfactor 1: Performance: Proposals will be evaluated on the degree to which award of a contract would present a risk of degradation of the quality of utility service(s).
  - Subfactor 2: Assurance of Long-term Price and Service Stability: Proposals will be evaluated on the potential for long-term price and service stability.
  - Subfactor 3: Price Reasonableness and Realism: Price reasonableness and realism analyses will be performed in accordance with FAR 15.404-1.
- Factor 4: Socioeconomic Plan: will be evaluated based on the degree to which an Offeror's proposal demonstrates the commitment to use, in performance of the offered requirements, Small Businesses (which include Small Businesses, Small Disadvantaged Businesses, HUBZone Small Businesses, Women-owned Small businesses, and Veteran-owned small businesses) and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs).
- Factor 5: Price: The total evaluated price will not be rated or scored, but will be a consideration in the final source-selection decision. The offeror's price proposal will be evaluated: as to reasonableness and realism (in accordance with FAR 15.404-1); to determine if the price reflects a clear understanding of the contract requirements and is consistent with the methods of performance described in the offeror's proposal; and to determine the ease of application of the proposal methodology to the contract.

### **M.3.1 Order of Importance for Evaluating Factors and Subfactors:**

Technical Approach, Past Performance, and Risk are of equal importance. Socioeconomic Plan is the least important. When combined, Technical Approach, Past Performance, Risk, and Socioeconomic Plan, are significantly more important than Price.

Technical Approach and Risk will be evaluated at the subfactor level. Under Technical Approach, Subfactors 1 and 2 are the most important and of equal importance. Subfactors 3, 4, and 5 are of equal importance but less important than Subfactors 1 and 2. Under Risk, Subfactors 1, 2 and 3 are of equal importance.

## M.4 COMPARISON OF OFFERED PRICES WITH THE GOVERNMENT ESTIMATE

In accordance with 10 USC § 2688, authority to privatize a utility system is subject to the action being in the long-term economic interest of the Government. To determine whether that criteria is met, the Government will use the offeror's proposal to develop a projected 50-year price.

The present value of the projected price will be calculated and compared to the Government's present value estimate for a 50-year cost for Government ownership and operations and maintenance. Present values will be calculated at the discount rate specified in Appendix C of the Office of Management and Budget (OMB) Circular A-94 that is current at the time proposals requested herein are due.

### M.4.1 Schedules B-1, B-3, and B-4

Each Sub-CLIN will be extended according to the following to arrive at an annual value:

**Sub-CLIN 0001AB – Fixed Monthly Charge:** The Fixed Monthly Charge will be multiplied by 12 months to reach the annual cost. The annual Fixed Monthly Charge will be included in each year of the cash-flow projection.

**Sub-CLIN 0001AC** - For the 50 year projected cash flow, the capital upgrade costs and replacement and renewal costs listed in the price proposal support schedules (Attachment 4) will be added to the Fixed Monthly Charge in Schedule B-1, B-3, or B-4 when the estimated completion date of the upgrade occurs and will be removed after the number of months proposed elapses. The recoverable portion of the purchase price listed in the price proposal support schedules (Attachment 4) will be added to the Fixed Monthly Charge in Schedule B-1, B-3, or B-4 for the number of months proposed by the offeror.

**Sub-CLIN 0001AD – Monthly Credit as Payment for Purchase Price:** (Amortization of the purchase price calculated as a monthly credit against the Fixed Monthly Charge of the utility service). Monthly amortization values will be calculated for the time period proposed by the Offeror. The monthly rate will be multiplied by 12 months to reach the annual cost. After the time period proposed by the Offeror expires, this portion of the monthly fixed rate will be removed from the cash-flow projection.

### M.4.2 Schedule B-2

Each Sub-CLIN will be extended according to the following to arrive at an annual value:

**Sub-CLIN 0001AB - Applicable Tariff:** The applicable tariff including capital upgrades as appropriate will be extended to calculate a 50-year projected cash flow. The recoverable portion of the purchase price listed in the price proposal will be added to the monthly tariff cost in Schedule B-2 for the number of months proposed by the offeror.

**Sub-CLIN 0001AC – Initial Capital Upgrades / Connection Charges:** For the 50 year projected cash flow, the capital upgrade costs / connection charges will be included in the economic analysis for the time period proposed by the Offeror. .

**Sub-CLIN 0001AD - Monthly Credit as Payment for Purchase Price:** The total fixed monthly credit will be calculated for the time period proposed by the Offeror. Sub-CLIN AB will be removed from the cash-flow projection for the years after the time period proposed by the Offeror expires.

## M.5. ADJECTIVAL RATING STANDARDS

The first, second, and fourth evaluation factors will be adjectivally rated according to the guidance provided below:

**Excellent:** To receive this adjectival rating, the offeror must far exceed the requirements of the solicitation for the factor/sub-factor in question. In addition, the offeror has an outstanding approach and/or special qualification for the criterion being evaluated. The offeror demonstrates either through experience or approach, as applicable, that they bring some special contribution to this criterion and the project. The offeror has outstanding attributes that are very specifically applicable to the criterion. Exceptionally low risk of failure. No significant weak points.

**Good:** To receive this adjectival rating, the offeror must exceed the requirements of the solicitation for the factor/sub-factor in question. The offeror demonstrates that they have a good approach and are well qualified to perform the effort. The offeror has similar experience, or an approach, clearly applicable to the criterion. Minor risk of failure. Weak points can be readily overcome.

**Satisfactory:** To receive this adjectival rating, the offeror must satisfy all requirements of the solicitation for the factor/sub-factor in question. The offeror demonstrates that its organization can reasonably be expected to successfully perform these criteria. The offeror has acceptable experience, or an approach, which can be applied to these criteria. Acceptable risk of failure. Weak points, even significant weak points, identified but can be overcome.

**Marginal:** To receive this adjectival rating, the offeror satisfies a good number of the requirements of the solicitation (it may be unclear whether an offer meets the requirement, or shortcomings may be overcome) for the factor/sub-factor in question. Very real risk of failure. Significant weak points or failure to demonstrate the capability to meet a requirement may exist that could be overcome with some impact to the work.

**Unsatisfactory:** To receive this adjectival rating, the offeror satisfies some (or perhaps none of the) requirements of the solicitation for the factor/sub-factor in question. The offeror has a basic lack of understanding of the requirements, or has major problem(s) on approach, resulting in failure to meet requirements in critical areas. Major revision required to reach acceptability. Near certain risk of failure.

The evaluators may assign further distinguishers such as low, mid, or high to each of the adjectival ratings described above if needed and warranted to properly portray the quality of each proposal.